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The Nation's Business

This is No Time For Party Politics

Enough has come out about the Hong Kong affair to make it very plain that there was grave bungling. The Government's actions, as opposed to some of its words, are very blunt admission of this, no matter what the report of the Royal Commissioner said.

While the people of Canada generally endorse wholeheartedly the decision that Canadian troops will fight wherever they are needed in this global war, it was made very clear in the House of Commons debate this week that the Canadian Government had had very poor information about the actual situation in the Pacific and that they apparently failed to find out whether the British intended to hold Hong Kong.

As cited by Howard Green of Vancouver in the House, the Canadians were untrained in the use of some arms. Mr. Green also emphasized that there is no evidence that the military authorities prepared for or envisaged liaison between ground troops and air and naval forces.

The House debate also brought out abundantly the degree of bungling which resulted in the late arrival at Vancouver of a score of military vehicles.

Certainly Col. J. L. Ralston, Minister of National Defense had no doubt that there was serious bungling. He told the House of the very extensive housecleaning that was done at National Defense headquarters following the Hong Kong affair. He told of 20 changes made in senior staff appointments, and 17 new appointments in addition.

Despite this fact, the actions of the government, as far as the public could see, have implied that there was nothing wrong about the Hong Kong expedition and the administration has persisted in regarding questioning about the Hong Kong affair as nothing but political partisanship.

What could have been more "likely to prejudice recruiting" than for the government to let the Canadian public continue for all these months in the belief that nothing had been done to prevent recurrence of the Hong Kong affair?

The government used every means in its power to prevent publication of the views of George Drew who was a counsel for the inquiry and who contended that the report was not a fair judgment of the evidence.

This effort to silence discussion and to prevent the disclosure of another point of view, plus the whole conduct of the eventual debate in the House, makes it very clear that the Administration was concerned first of all with survival of its party in power. And we reiterate that there is nothing whatever in the Drew letter which by any stretch of the imagination could be regarded as assisting the enemy.

The failure of the Administration to make it clear to the public that a housecleaning had followed the Hong Kong revelations, and its refusal to *face the facts* honestly and to let the public have the *facts, can only* be interpreted as a desperate effort to save face for *a political party.*

This course of action is just another demonstration that party government is not good enough for this time of extreme national peril, that a national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains is an immediate necessity.

• • •

RIGHT OF CRITICISM BASIC FREEDOM

The government attitude of attempting to stifle open discussion of the whole matter is lamentable. Royal Commission reports have frequently been criticized, and it has been one of the basic principles of British liberties that public and press have full rights to criticize judgments handed down by the Courts—including those of the Supreme Court of Canada.

The remark of C. E. Johnstone of Bow River, was inevitable.

> "All the government has to do when it does not want criticism of its action is to appoint a chief justice as the man who draws up its report and it can come to us and say, 'You must not criticize him because he is the chief justice.'"

Enough has come out and will still come out about the Hong Kong inquiry and about the findings of the report that will quite effectively defeat all efforts of the Administration to hide it by an astonishing abuse of wartime censorship. The public is entitled to facts and to informed comment thereon.

The statement of T. C. Douglas, member for Weyburn, will leave the deepest concern and doubt about the report in the minds of the Canadian people. Mr. Douglas was the only Member of Parliament, other than Cabinet Ministers, who testified at the inquiry. He told the House that he gave one answer in testifying before the Royal Commission and that in the final report, it was treated in another way. He said:

> "If the rest of the evidence presented to the commissioner was interpreted with as prejudiced a point of view as the evidence I submitted, I have grave doubts about this report."

By this time, hundreds of Canadians will have read the George Drew letter which the administration has so vigorously tried to suppress. Thousands more will be added daily to the number of people who will have heard highlights of that letter. Tens of thousands will continue to have those words of Mr. Douglas sticking in their crop.

The Drew letter must be published. It is the right of a free people to have the facts. The publication of the facts is the best guarantee that such disastrous blunders will not recur.

• • •

STOP WASTAGE OF MANPOWER

Skilled men from the machine tool industry, men who have years of special technical training behind them, are being notified for military service.

So grave is the threat to the efficiency of this vital industry that the Canadian Machine and Tool Builders Association have submitted a brief to the Ottawa authorities, asking for a reconsideration. But without these tools the production of munitions and other armaments would come to an abrupt stop. Without them it would be impossible to utilize great blocks of unskilled female labor who, only with the precision machinery supplied by the tool makers, can turn out a uniform supply of shells, guns and other essential war equipment.

Under any practical and sane manpower policy such a brief would never have been necessary. The men building machine tools cannot be replaced either by women or inexperienced men. Without their work armies, navies and air forces would be absolutely useless because they would be without the means to fight. It is criminal short-sightedness to think of disturbing them. They are comparable to the most valuable of the front line troops.

But so long as we continue to drift along with no definite and consistent policy on manpower this sort of thing is bound to happen. Our human resources and especially those with special skill are not inexhaustible. Long before this the authorities should have had every Canadian in the job he or she is best fitted to perform. We cannot afford any idleness, any over-lapping and we certainly cannot afford any wastage of our skilled mechanics.

Labor Strife Hits Output In Montreal

Increased Labor Troubles in War and Civilian Industries in Montreal Area

From Our Own Correspondent

MONTREAL. — Increased labor troubles in both war and civilian industries in this district are attracting attention.

A majority of the 550 employees in the aircraft section of the Turcot plant of Canadian Car & Foundry Co. have voted in favor of going on strike to enforce a demand for recognition of Aircraft Lodge 712, International Association of Machinists, as their bargaining agency to negotiate an agreement with the company.

The Longue Pointe plant of Canadian Car & Foundry Co. is also involved in unionization difficulties.

Negotiations for renewal of a collective labor agreement between the fur manufacturing industry in Quebec province and the Montreal Fur Workers Union threatens to end in a strike.

Shipyard workers of Canadian Vickers Ltd. plant in Montreal are seeking higher wages, the men asking for the same rates as on the Pacific Coast where wages are said to be 15 to 20 cents an hour higher.

Other Troubles Recently

In addition to these disputes, there are a number of others still under way or only recently settled.

A strike for higher pay took place at the Canadian Copper Refineries plant in Montreal East.

There was a recent strike in another plant of the Canadian Car & Foundry Co.

Workers of Macdonald Tobacco

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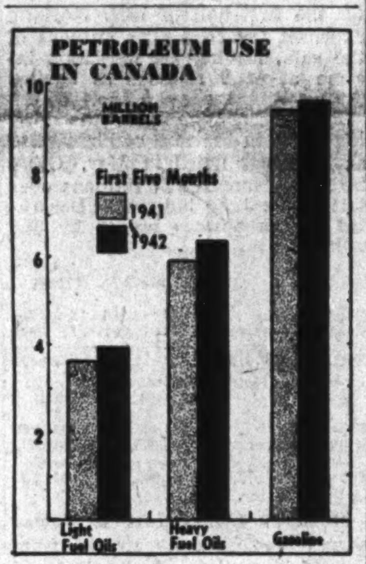

Chart by The Financial Post

Gas Rationing Fails to Cut Petroleum Use

Canada's consumption of all types of petroleum fuels is headed for an all-time record again this year if one may judge by the results for the first five months.

For gasoline, figures prepared by the Oil Controller's office show a small gain of less than 150,000 bbls., or about 1.6%. These figures take in the first two months of gasoline rationing, also include all aviation gasoline and solvents. It is incorrect to assume that no saving has resulted from civilian restrictions; but that the saving is more than offset by military needs.

Builder of Air Giants

President of Boeing Aircraft of Canada, which has just launched the first giant Catalina flying boat built in the Dominion, is Stanley Burke. Manitoban by birth, British Columbian in business, he lives at Vancouver, formerly headed B. C. Packers. When the Catalina slid down the ways, months of difficulty and disappointment were ended, clear sailing lay ahead. Soon Boeing will be producing flying boats on an assembly line basis. (See personal sketch of Mr. Burke on page 6.)

Are New Plane Designs Essential to Victory?

In the accompanying articles, The Financial Post offers reports on the two most pressing military aviation problems —creation of a fleet of flying freighters, and the threat to Allied air supremacy embodied in the new German Focke-Wulf 190 fighter.

Author of the two reports is Peter G. Masefield, Associate Editor of the authoritative British magazine Aeroplane, and Aviation Editor of the Sunday Times. His original report on the Focke-Wulf created considerable alarm in Allied aviation circles, since most Allied fighter planes have gone in for liquid-cooled engines. Later reports that new model Spitfires have scored 9 to 3 planes downed against the FW, bear out Masefield's contention that newer Allied planes may give the enemy some shocks.

By PETER G. MASEFIELD

AIR FREIGHTERS FROM CANADA

LONDON (By Cable) — We must think big and not be tied by lack of vision or courage.

A 200-seater plane, capable of carrying 20 tons, is possible immediately. Canada has the timber, Canada has the labor. With a real drive, construction could start in two months, deliveries begin in a year. The need is great enough. What about it?

All nations are beginning to realize that air transport is a vital war service. Recent proposals in the United States that a great fleet of flying transports be built is founded on sound common sense. Unfortunately such a fleet cannot be quickly attained, although Canada is in a more favorable position than any country in the world to produce such machines.

Special Designs

Existing heavy bombers cannot be converted into economical or useful freighters because they are

(Continued on page 2, col. 7)

GERMANY'S NEWEST FIGHTER

LONDON (By Cable) — Although some analysts of combat reports disagree, pilots' accounts and German evidence confirm the belief that in the new Focke-Wulf FW 190 the enemy has the best all-round fighter in action anywhere in the world today.

The margin of superiority is slim, the numbers in service relatively small, and the new allied fighter types coming out will swing the balance. Furthermore, the Focke-Wulf factory at Bremen where the 190 is made, has been well and truly bombed. Production there has been cut down seriously.

High spots in the performance of the 190 are these:

Maximum speed is about 380 miles an hour at 19,000 ft.; the rate of climb and ceiling is very high; according to German reports the armament is very heavy and includes cannon and

(Continued on page 2, col. 8)

Manpower Controls Shape Up

End of Voluntary Recruiting Likely to Result From Centralization Plan

By KENNETH R. WILSON

OTTAWA.—There is now every indication that an agreement has been reached on Canada's manpower crisis and that in a matter of weeks, possibly sooner, the Prime Minister himself will announce the new, centralized programme for complete control of manpower mobilization in this country.

Whether compulsory selective service across the whole manpower field will be introduced immediately is not yet clear. In any event, once the main programme for centralizing manpower control with the Minister of Labor is agreed upon, the elimination of voluntary recruiting and the placing of all manpower oh a uniform basis is considered only a matter of time.

Vote of Confidence?

Introduction of compulsory service in so far as it involved new manpower calls for the armed services would of course require a vote of confidence by Parliament under the latest King "formula," so it is not improbable that Parliament will be called to reassemble at Ottawa within a few weeks of its adjournment.

Once the principle is agreed upon there will be much work to be done before the actual order-in-council is finally passed, but the speed with which the whole manpower problem

(Continued on page 2, col. 2)

It's Your MONEY

. . . that is being spent to maintain a separate police force in three Canadian provinces. In six provinces the enforcement of provincial as well as Dominion statutes is entrusted to the Royal Canadian Mounted Police under agreements between the Dominion and provinces concerned. Provinces which have entered into agreements with the Dominion have been able to cut their police costs in half.

Still out of the combined police framework are Ontario, Quebec and British Columbia. These three together are spending about $2.5 millions annually on their provincial police forces. A saving analogous to the other provinces who consolidated their police forces with those of the Dominion would mean about $350,000 for each province, a total of around $1 million.

Total Canadian tax bill, however, would not be relieved to that extent, since the Dominion performs the service for the province at considerably less than cost. Probable saving would be in the neighborhood of a sizeable $500,000 annually if the Dominion were to make arrangements for police services with the three remaining provinces similar to arrangements with the other six.

The Myth of Wars for Dollars

Stolper Debunks Fable of Economic Causes of War

By GUSTAV STOLPER

The same people who regard Senator Nye as an authority on foreign politics and finance are usually convinced that Neville Chamberlain and the other English Tory appeasers were driven on their dismal course by the avid desire to salvage their stocks and bonds, particularly their German investments. Thus foreign investments make for warmongering in America and for appeasement in England. Do not look too closely for logic in fables.

The most pernicious fable of our time is that most, if not all, wars in the capitalist age originate in economic causes. This fable is spread in two versions.

The first, more refined, version is part and parcel of the Marxist philosophy. Capitalistic production, it tells us, has the innate tendency to outgrow consumption. Therefore the capitalists must continually look out for new markets and investments abroad. And when there they meet competing nations, they have to beat them out.

The second version is the familiar story of the bankers who lend or invest money abroad and direct the foreign policy of their own country to protect their investments. It is a story applied particularly to the participation of the United States in the First World War. This version was successfully popularized by the Nye Committee of the United States Senate.

Bankers for Peace

If the influence of the bankers amounts to anything in questions of peace and war, or did amount to anything in the past, it is definitely and unequivocally on the side of peace. Bankers are, as a rule, cautious and anxious people. Their first aim is security, and only the second is profit. They are responsible for their credit, for funds entrusted to their management, for other people's money which they guarantee with their own funds to the limit. They are averse to venture either at home or abroad unless the chance of profits stands in reasonable proportion to the risks, and the risks in reasonable proportion to their reserves. That is why security and exchange markets react so nervously to all oscillations of the political barometer. That is why everywhere the bankers were so reluctant to support their governments in foreign ventures that involved them in political frictions.

History proves exactly the opposite of what the fable tells us: Not a single major war in the last one hundred and fifty years—the capitalist age—had its origins in economic causes or was waged for economic interests. There were, of course, diplomatic frictions over economic rivalries or aspirations; there was a "dollar diplomacy" as there was a sterling, a franc, a mark, diplomacy. Not in one case did those frictions or rivalries of economic interests result in war.

In the century between Waterloo and Versailles, the century that saw the spring and summer of capitalism and imperialism, all European wars without any exception had one cause and origin, only one: the ascendancy of nationalism as the determinant force of history. It was this force that disrupted the Austrian and Ottoman empires and unified Germany and Italy. From this

(Continued on page 11)

The Financial Post presents the fifth of a series of eight articles from Dr. Gustav Stolper's major work—"This Age of Fable."

A 1933 refugee from Hitler's Germany, Dr. Stolper is now serving in New York as an economic consultant. His background as correspondent for the "Economist," editor of an economic weekly, member of the Reichstag and representative to the League of Nations has made him a leading authority in his present work.

In the accompanying article Dr. Stolper demolishes with a barrage of facts the modern fable that all wars originate in economic causes.

Charge Draft Hits Our War Output

Production Problems Multiply as Army Draft Outflanks the Home Front Drive for More and Better Weapons

By ROBERT C. STARK

Across the broad front of Canadian war industry The Financial Post finds evidence of the impact of the army draft. To plants turning out vital war materials the loss of men to the army is meaning slowed production, disrupted efficiency, loss of time.

Here, in the words of the production men themselves, is the evidence.

MACHINE TOOLS, CUTTER AND GAUGES PRODUCER:

"Our type of production is the very heart and soul of mass production of war equipment. Only the widespread use of basic machine tools makes it possible for unskilled girls to produce thousands of gun parts to extremely close tolerances of accuracy and interchangeability. Without the skilled mechanics capable of producing such machines and tools, Canada's arms output would be seriously retarded if not brought to a complete stop. We figure that the essential skilled labor of one technically trained man is required to make it possible to employ ten girls or other unskilled labor in the mass production plants.

"In this plant of 170 employees engaged 100% on war work we have lost eight skilled men in the last two weeks. The situation is definitely critical. On one hand we have Mr. Howe wanting more tools and machinery to keep the war plants humming; on the other hand we have Mr. Thorson taking away needed young men.

"Our policy has been to take boys on graduation from technical school. It takes about three years' additional training to make them really valuable employees. They are now being lost in the draft and the only thing we can do is to try and get some of the few green boys now available in the technical schools, and that means another three years to train them."

SHELL FUSE PRODUCER:

"We are losing men every day; this loss is curtailing production and is now beginning to hit seriously. Even for some really keymen we have been unable to get deferments. When new men are brought in as replacements, spoiled production is the result. Our scrap has increased materially, solely due to this fact. For simple work on the production line it takes two weeks to train a man; for men for more specialized work, months and even years are necessary. Numbers of men, fearing they will be drafted eventually, are leaving their job of vital production to volunteer for the armed service they prefer. Our foremen and supervisors are doing three and four times the work they should. We are afraid some of them will break down; if that happens, we don't know what we'll do."

MARINE EQUIPMENT PRODUCER:

"We are losing about one man a day on the average, and production is being definitely hampered. Of the keymen called up, we have been able to have only about 50% deferred. There is valuable time taken up when executives appear before the deferment board to argue why a key employee's call-up should be postponed. To train a new man up to the "handy" class takes from three to six months. It would take three years to replace some of the good men being lost."

STRATEGIC BASE METAL PRODUCER:

"We are feeling it a little more each day and it looks like it will be a real problem before long. The best type of man for mine crew is young, energetic and in good physical shape—first class material for the army. There is a general shortage of labor for base metal mining and that shortage has been accentuated by losses to the army. If the situation gets any worse it may be necessary to close down some of the gold mines to make labor available for war minerals. The efficient men being lost are replaceable only by non-efficient help."

PROCESSOR OF SPECIAL STEEL:

"Engaged 95% on war work, we are 240 men short. Further losses of men would be serious. Even when replacements can be found it takes time to train them, and that means less efficient production. We have had to fight hard to get keymen deferred—we have even taken members of the deferment board through the plant to see the type of work these men are doing. Our specialized men are working seven days a week; we don't know how long they can keep it up. The situation is being made worse by having men volunteer for the army rather than wait to be drafted. Even when we can find workers to bring in, there is no housing accommodation for them."

HEAVY STEEL FABRICATOR:

"In our drafting department we have recently lost eight highly skilled men. It is practically impossible to replace these men as it would take four or five years' training and the supply of skilled draftsmen is very light. As for other types of help, we have quite a few men who have been called for their first medical examination and who don't know just what will happen now. There is a great uncertainty due to this condition and we feel that it has contributed to our high rate of labor turnover."

SHIPBUILDER:

"We have not been affected to any marked degree yet but it looks like things are getting more serious, and we are really starting to worry. While some deferments for keymen have been obtained we have lost others. They have been replaced largely through a system of internal promotion. Helpers are being lost

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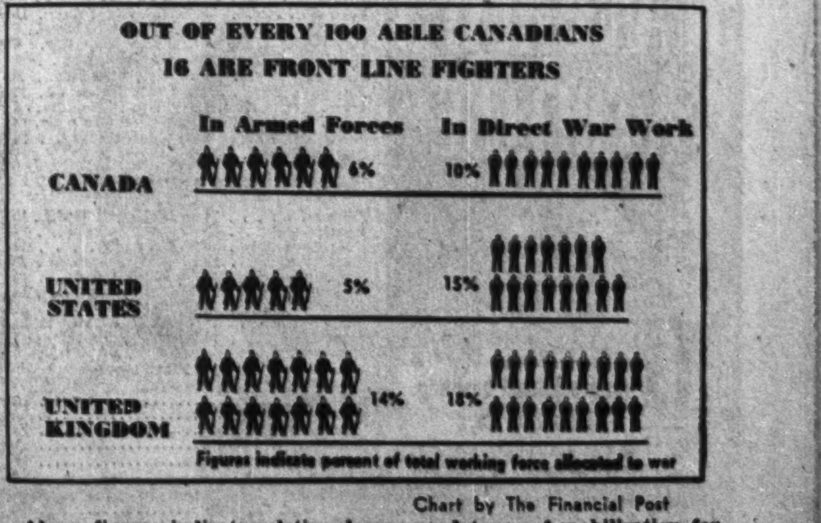

Chart by The Financial Post

Above figures indicate relative degrees and types of mobilization for war on the part of the three great Anglo-Saxon Allies. In each case the figures are based on the potential able-bodied "working force" of each nation, estimated at 8.5 millions for Canada, 100 millions for the United States and 33 millions for the United Kingdom. Figures show only direct war workers, make no allowance for farmer and other essential workers whose work on this side of the Atlantic greatly aids British mobilization. Canada has 66% more war workers than soldiers; the United States, 200%; Britain about 28%.

Tie Tips

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The Borden Company

E. L. NOETZEL, *Treasurer*

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in the AUGUST issue

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- The control of prices and wages in Canada.
- Overhead and differential costs.
- Judgment respecting *Income War Tax Act—William H. Malkin* case.
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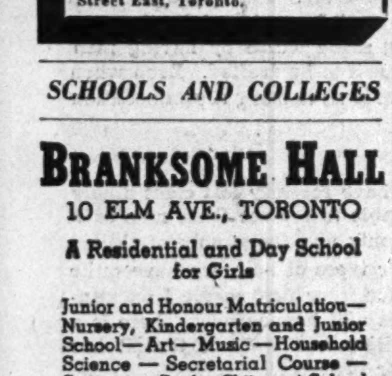

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ST. ANDREW'S COLLEGE AURORA ONTARIO

New Controls Take Shape

(Continued from page 1)

has been tackled and brought to solution in recent days is little short of startling.

Apart from the centralizing of manpower authority in the Department of Labor (with administrative direction under Director of National Service, Elliott M. Little), another important move which is now pending and under discussion is the transfer of Canada's Unemployment Insurance Commission machinery to the Department of Labor.

Unemployment Board

At present this branch of government, though responsible to the Department of Labor, is under the direction of an autonomous board. Because of the extreme importance of Claims and Employment offices in the administration of National Selective Service, it is known that recommendations have been made to transfer at least the control of these offices to the Department of Labor so that they could come directly under the National Selective Service organization.

At present there are 116 offices in Canada employing some 2,400 persons. It is estimated that at least 75 more offices must be opened immediately and the entire staff enlarged and strengthened very considerably.

Cabinet at Peace

Putting forward of a plan for centralized manpower control seems to have dissolved many earlier cabinet differences. Admittedly there will be some members of cabinet (as there are members of the Cabinet Manpower Committee itself) who object to the compulsory programme and who will oppose it on principle. But any difference of opinion that existed earlier between men like Col. Ralston and Mr. Howe in regard to Big Army vs Big War production commitments seems to have disappeared in the new, common viewpoint that the best and indeed the urgent solution is to eliminate voluntary recruiting as quickly as possible and centralize all manpower authority under one department.

With this broader concept of compulsory national selective service, Prime Minister King himself seems now to be in agreement—looking on it no doubt as a more tenable political approach than the mere introduction of conscription for overseas service, and a means whereby he can crown his war achievement by a plan which will achieve ultimate conscription of manpower without sacrificing the loyalty and support of Quebec.

One important point which is emerging in present discussions is the fear that Canada's war programme within a very few weeks may prove to have been considerably overextended unless some relief can be obtained. The failure to centralize control in the past is in large measure responsible for the extension of individual programme without reference to the nation's available manpower or material resources.

Another important point now under discussion is the question as to who shall take responsibility for the curtailment of civilian production which is believed inevitable if the present manpower demands are to be met. Recommendations are being made that this responsibility should be left with the Wartime Prices and Trade Board, which is now taking an increasing part in controlling and regulating civilian consumption.

United Grain Growers Ltd. has declared a dividend of 5% on each of its class A and B stocks for the year ended July 31, 1942. Payment will be made Sept. 15, 1942, to shareholders of record July 31. This marks the first payment since the change in the company's shares ratified last year. The new class A stock is $20 par, the new class B, $5 par value, making the dividend on the class A, $1 a share and on the class B, 25 cents. Last previous dividend was $1.25 a share, paid Aug. 1, 1941, to holders of the previous common stock of $25 par value.

Public Utility Earnings

Canada Northern

	1942 $	1941 $
June:		
Gross earnings	373,787	421,160
Oper. expenses	150,875	181,424
Net earnings*	222,912	239,736
6 Mos. Ended June 30		
Gross earnings	2,298,143	2,513,016
Oper. expenses	900,863	1,110,299
Net earnings*	1,397,280	1,402,717

*Before income and excess profit taxes.

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The War and Business . . .

New Party in the Making

Political gossip mentions the possibility of a new Federal Liberal party composed of elements who do not altogether favor the leadership of Prime Minister Mackenzie King. Feelers have been put out. One or two private discussions have taken place. So far the movement has not taken tangible form. Those interested are understood to be working on the theory that a more liberal Liberal party would secure wide public support. The new group is not to be confused with the French-Canadian Liberal dissentients in the House. The latter have been approached, as well as Liberals in Ontario, Manitoba and British Columbia.

• • •

Sharing the Supplies

With supplies of many types of goods becoming increasingly scarce the question of maintaining an equitable distribution of what is still left has become an important one. There have been reports that some members of civilian trade and industry have overexpanded inventory positions. If such is the case then the immediate possibility would arise of the government allocating supplies so that less well-to-do outlets would not be discriminated against.

Allocation of supplies in this manner is not yet close to the front page stage, but it is one angle of our wartime business economy that is being watched by Ottawa. These reports of inflated inventories are being followed up by government officials. Further action would seem to hinge upon the results of their studies.

• • •

Russian Food Menaced

There is a direct connection between the present heavy fighting in Russia and the ripening wheat fields of Western Canada. The Nazi drive this summer menaces the remaining major grain areas of Russia, and even if it ends in a military disaster for Hitler, millions of acres of maturing wheat will have been destroyed.

German conquest in the Ukraine last year included a great deal of the Soviet wheat belt and as a result, food as well as munitions had to be sent over the long perilous shipping routes to Russia. Now with further disaster to the great food producing areas of our ally, still more precious cargo space will probably be needed next winter.

Becoming Alarmed

Although officially pooh-poohed at the beginning, Washington is reported to be getting more concerned with Japanese activities in the Aleutians, most western outpost of the North American continent. Early official announcements gave the impression that merely a few Japs had landed on some rocky islet and would soon starve. The fact they are still there after serious efforts to dislodge them is beginning to cause misgivings now. Incidentally, according to the Whaley Eaton Service of Washington, the general American public is getting impatient with the tendency of official communiques to over emphasize victories and play down rebuffs.

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Air Collisions

Not German AA fire nor night fighters but collisions among themselves are most feared by British raiders over the Reich, according to information from overseas. It is understood that during dark nights, it is almost impossible to stage concentrated mass raids over small targets because the big bombers, operating without lights, are liable to crash into each other. Indeed in some raids more losses have been caused by collisions than by enemy fire, it is claimed. It is because of this menace that practically all the large scale raids to date, such as that over Hamburg a few days ago and over Cologne and Essen earlier, have occurred when the moon was full or nearly so.

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That Cured Them

It's "propeller" in the R. A. F. now—not "airscrew."

Adoption of the popular Yankee name was made official in the British industry following an embarrassing misunderstanding as related in Flight, official organ of the Royal Aero Club.

A Royal Air Force squadron in the Middle East sent a request to base for four airscrews and in due course received four air crews.

Now, by official request, it's "propellers."

• • •

Says Air Transport Vital

"I am rather at a loss over the lateness of our appreciation of the necessity for air cargo transport," an unusually well informed source in Washington told The Financial Post this week.

The U. S. Army and Navy got busy on it some months ago and awarded a sizeable contract. But, The Post informant says, this was merely for some "box cars" of the two-engine Douglas type, and designed to bring up supplies from the rear to advanced bases, distances of not more than 500 miles. They are to carry a loading derrick. They open in the rear and four or five-ton trucks can be driven right in, etc., etc.

"That was all right," says the Washingtonian, "and marked a beginning, but our friend Kaiser, who has been doing such big things on the coast, makes only a moderate statement when he says that it is just foolishness to keep building ships that the Germans sink, with their cargoes, when we could, with the use of smaller quantities of critical materials, or even without critical materials, construct air cargo fleets that would do more actual work per year than the surface ships, and at very little danger of loss.

"I understand that Hitler, lacking adequate railroad facilities and poor motor roads, has made his air transports do a major job. Also, the speed with which we got bombers from this country over to Libya should be a lesson. Altogether, it seems to me, we ought to recognize that this is an air war, not only at the fighting fronts, but even more emphatically in the area of logistics."

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Take 95% at Source

In its new form, the tables of tax deductions to aid employers in collecting income taxes at the source will account for about 95% of the gross tax which might be levied on the specific income. This is an adjustment from the 80% collection originally planned.

Reason for not collecting 100% of the tax is to leave some margin for those whose weekly earnings fluctuate, and to make a modest allowance for charitable donations, and other adjustments which the taxpayer will have to make in his final return. Contrary to some reports, the tables of income deductions will be provided to employers in detailed form.

Bank Debits Up Over Last Year

Cheques cashed by chartered banks in Canada in the first half of 1942 amounted to $21,592 millions, compared with $18,810 millions in the same period last year, according to figures compiled by the Dominion Bureau of Statistics.

The increase, 14.8%, is attributed to heavy payments on the second Victory loan, as well as to the higher level of business activity and commodity prices. Gains were shown in all five economic areas, the highest percentage gain, 19.8, being in Ontario, and the lowest, 2.5, in the Prairies. The gain in the Maritimes was 17%, in Quebec 13.6%, and in B. C. 13.5%, for the six months as against the same six months of 1941.

However, debits for June alone were only $3,767 millions against $4,241 millions in June a year ago, a decline of 11.6%, with all areas showing some recession. Debits charged to current accounts were $3,613 millions in June compared with $3,645 in May, while bank debits charged to savings accounts were $154.5 millions against $145.6 millions. Notice deposits amounted to $1,556 millions at the beginning of June.

An index of bank debits after seasonal adjustment was 127.7 in June against 143.8 in the same month last year. Wholesale prices were at 95.8 against 90.0. An index of employment in manufacturing was at 200.5 against 161 at June 1 last year. On the other hand, common stock prices were down to 62.8 from 64.0.

The Bureau of Statistics estimates that circulating media in the hands of the public in June was $557.4 millions, compared with $428.6 millions in June last year. Total bank deposits were $3,117.6 millions June 1, as against $4,045.1 millions at June 1, 1941.

Debits to Individual Accounts
Millions of $

	1942 June	1942 May	1941 June
Maritimes:			
Halifax	47.5	55.2	54.0
Moncton	16.0	13.7	13.8
Saint John	24.1	22.8	27.8
Total	87.6	91.7	95.6
Quebec:			
Montreal	860.2	952.9	1,080.3
Quebec	104.5	91.7	81.5
Sherbrooke	11.2	10.9	11.9
Total	975.9	1,055.5	1,173.7
Ontario:			
Brantford	16.9	18.6	16.4
Chatham	9.7	10.9	16.5
Fort William	10.7	11.3	13.3
Hamilton	100.8	106.5	110.7
Kingston	11.4	11.4	11.2
Kitchener	19.8	19.8	28.8
London	48.9	43.1	65.0
Ottawa	529.1	614.2	296.1
Peterborough	12.0	12.2	12.3
St. Catharines	19.0	23.3	21.9
Sarnia	10.6	10.8	10.0
Sudbury	8.6	8.6	9.4
Toronto	1,009.1	914.7	1,357.9
Windsor	81.9	82.4	76.2
Total	1,888.6	1,886.9	2,045.8
Prairies:			
Brandon	5.6	4.9	5.6
Calgary	77.5	71.8	99.8
Edmonton	53.2	56.8	60.2
Lethbridge	6.2	6.0	6.1
Medicine Hat	3.0	3.4	4.2
Moose Jaw	9.0	8.2	8.5
Prince Albert	4.6	4.0	4.0
Regina	47.7	53.1	77.2
Saskatoon	13.7	14.2	15.1
Winnipeg	365.1	313.0	369.7
Total	585.6	536.5	650.3
British Columbia:			
N. Westminster	11.3	11.1	9.0
Vancouver	176.3	176.8	215.1
Victoria	41.6	32.6	51.1
Total	229.3	220.4	275.3
Grand total	3,767.0	3,791.0	4,240.6

How Draft is Hitting Canadian War Industry

(Continued from page 1)

regularly, and for even this type of work it takes two to six weeks to train a man; that helps to hinder production."

SHIP OUTFITTER:

"We have key men with their period of deferment now about ended. If they are taken by the army, our production will be crippled. It would take several years' training to replace these men. Our work is so vital that the government goes out of its way to get needed material. But what good is the material, if you don't have the workers?"

MOTORIZED EQUIPMENT MAKER:

"We have been able to hold up production so far, although with increased difficulty. We have found it not very easy to get deferments for our key men and are replacing them as best we can through a system of internal promotion. For less vital employees, we have been successful so far in obtaining fair replacements, but even at that it takes three or four months to train the new men properly."

GUN BUILDER:

"Our production set-up is such that a large part of the labor we employ is relatively unskilled. Therefore, we have been able to replace most of the men lost to the draft by employing girls. Our key men have been deferred on a reasonable basis so far. However, we are keeping our fingers crossed, for we don't know what is going to happen from day to day."

MUNITION PRODUCER:

"We have been losing plenty of men lately; some are replaceable but we just have to get along without the others. The type of labor we have been getting is generally poor and much time and effort has to be spent in training the new workers. The poor type of workers now available is contributing to a higher rate of labor turnover."

No Rationing Seen for Clothes

From Our Own Correspondent

MONTREAL.—Rumors to the effect the government was considering clothes rationing on a money basis, are flatly denied by J. A. Klein, women's, misses' and children's clothing administrator of the Wartime Prices and Trade Board.

Declaring that the matter had not even been discussed, Mr. Klein went on to say there is no need for such regulation. "With normal buying there will be ample clothing for all members of the family."

One rumor widely circulated was to the effect that $90 a year was the sum to which a person would be limited for clothing.

Referee Handles 353 Tax Cases

Board of Referees under the Excess Profits Tax Act had rendered decisions on 353 cases out of 737 which had been referred to it up to June 21, 1942, according to Hon. J. L. Ilsley. Of the decisions rendered, 303 had been under the heading of depressed industries and 50 had been new businesses. These are the two classes of business that can be referred to the Board for determination of standard profits. Mr. Ilsley added that "quite a number" of companies will be making application for a hearing before the board as well as new companies which may be formed.

Labor Strife Hits Industry In Montreal

(Continued from page 1)

Co. walked out. This was the first strike in the company's history.

More than 200 employees of the American Can Co. struck briefly in support of a demand for increases in pay reportedly averaging 10 cents an hour.

Labor troubles have been popping up in the asbestos district of Quebec.

Unions Take Lead

Most of the difficulties to date have arisen from the activities of unions in organizing workers in war plants. They seek to be recognized as the workers' agency for collective labor agreements.

Coupled with unionization is the demand for higher wages. This has been fostered by labor agitators, organizers of international unions and the National Catholic syndicates. The demand usually takes one course—the same rate of pay for Quebec workmen as that being paid in other provinces.

The strikes which have taken place of late are not believed to be a direct result of the budget. In September, it is anticipated there will be a sharp increase in labor demands and strikes.

TOBACCO EXECUTIVE

Edward C. Wood, who has been appointed assistant to the president of the Imperial Tobacco Co. of Canada. Mr. Wood has been a director of the company since 1937.

Gift to Britain Going Fast

By STAFF WRITER

OTTAWA.—June statement of receipts and expenditures issued by the Comptroller of the Treasury gives a clue to the most disturbing and significant fact of Canada's war finance programme—the sharply accelerated outpouring of money under Canada's billion dollar gift to Britain.

For June, this item rose to $216.4 millions. However, it included some $73 millions to take over sterling accumulated in March, leaving a net payment in June of approximately $140 millions. The May disbursement was also $140 millions.

On the basis of May and June figures Canada is supplying goods to Britain at the rate of nearly $1.7 billions annually.

C. P. R. Net Profit Higher by 10.2%

Returns for Half Year Show Gross Income at $121 Millions

From Our Own Correspondent

MONTREAL. — At the half-way mark for 1942, earnings of the Canadian Pacific Railway show a net increase of better than $2 millions compared with the 1941 returns.

For the current year to the end of June the company reports gross income of $121 millions. This was nearly $21.2 millions greater than for the first half of 1941. Working expenses absorbed $19.2 millions of the gain, leaving net operating income at $21.9 millions as against $19.9 millions a year ago.

Returns for June reflect the slowing down in the rate of increase of net earnings noted in May. Gross income advanced $2.7 millions over last year's June income, but working expenses were higher by $2.6 millions.

	1942 $	1941 $
June		
Gross income	21,244,666	18,496,265
Working expenses	17,070,301	14,427,961
Net income	4,174,365	4,068,304
6 Months Ended June		
Gross income	121,033,092	99,840,386
Working expenses	99,085,009	79,920,692
Net income	21,948,083	19,919,694

Montreal Light, Heat & Power shares are being transferred from the curb section of the Toronto Stock Exchange to the main section of the Exchange itself. Ticker abbreviation remains MLP. The company has appointed the Montreal Trust Co. as transfer agent and the Royal Trust Co. as registrar in Toronto to comply with listing regulations.

Hickson & Yuile, members of the Montreal Stock Exchange, have notified the Exchange that J. W. Yuile has retired from partnership in the firm as of July 16. The business will be continued under the same firm name, the sole partner being R. N. Hickson.

Outstanding Theatre Business For Sale

Offers will be received for the assets and undertaking (save and except cash on hand and on deposit) of Loew's London Theatres Limited, a Company owning and operating a moving picture theatre known as LOEW'S THEATRE, Municipal Number 194 Dundas Street, in the City of London, Province of Ontario, Canada, particulars of which assets are more fully set forth in the last audited Balance Sheet of the said Company for the year ended the 28th of August, 1941, and consisting generally of land and theatre building and all accessories thereto, built or acquired at a cost of approximately $475,000.00, and investments, all save as varied in the operation of the business since the said 28th day of August, 1941.

The Vendor is party to the following agreements affecting the above mentioned assets:—

(1) An Agreement with Marcus Loew Booking Agency, a New York Corporation, bearing date the 22nd day of September, 1919, and

(2) An Agreement with Marcus Loew's Theatres Limited of Toronto bearing date the 22nd day of September, 1919.

Copies of the Company's last audited Balance Sheet for the year ended 28th of August, 1941, and of the above mentioned Agreements may be inspected at the office of Ivey and Logan, Imperial Bank Building, Richmond Street, London, Canada, Solicitors for the Company herein.

It is pointed out that, while the assets include the goodwill of the said business, the same does not include the right to the use of the name "Loew" or any name similar thereto.

Offers must be in writing and accompanied by a marked cheque to the order of Loew's London Theatres Limited for not less than fifteen Per Cent of the offered price and delivered to Ivey and Logan, Solicitors for the Company herein, on or before the 14th day of August, 1942, and should specifically state whether the Purchaser will or will not agree to take over the above mentioned contracts and assume all benefits and liabilities thereunder. In case the Purchaser elects to take over the said contracts, indemnification satisfactory to the Vendor must be delivered upon acceptance of offer. In case any offer be not accepted, the marked cheque accompanying the offer will be returned to the maker thereof without interest.

The highest or any offer shall not necessarily be accepted by the Vendor.

DATED this 30th day of July, 1942.

LOEW'S LONDON THEATRES LIMITED

HOLD HIGH THE TORCH OF FREEDOM

A VAST ARMY OF DEPOSITORS

Serving Our Country

Our customers have more than a million deposit accounts, through which they use the Bank for protecting their savings and commercial funds, paying their obligations and generally financing their business.

Thus the Bank serves a great army of citizens who in turn are serving Canada in a multitude of peace-time and war-time activities.

The influence on the country's destiny of this army of thrifty citizens is beyond estimation. The Bank is proud to serve and co-operate with them.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . *the Outcome of 124 Years' Successful Operation*

A166

Air Freighters From Canada

(Continued from page 1)

designed to take heavily concentrated loads. Specialized designs are needed, in fact could be built more quickly than bombers could be converted. If specialized freighters and troop transports could be built by shipyards, the vital production of bombers need not be checked.

Two classes of air transport are needed. First is a comparatively short haul tactical transport to work with operational squadrons taking spares, ground crews and maintenance equipment to the front line flying fields. The second is a long range strategic transport for ocean routes, bearing supplies and troops from America to England. Typical transports being built in the United States are the Douglas C-54 and the Curtiss Wright "Commando." A step-up in production of these should meet the needs.

Transport Pool

What is wanted to operate them efficiently is an Allied air transport command to serve as a pool for all operational squadrons, particularly such moves as bomber squadrons from England to the Middle East.

A removal service of this sort would make the R. A. F. bomber command strategically mobile which is not the case at present. No strategic transports exist at present. The Martin Mars is the nearest approach. What is wanted is a very big freighter of simplified design, built of wood for availability of material and speed of construction, powered by six early type engines which are not needed in operational bombers.

The early, low-supercharged Rolls Merlins, for instance, would be excellent and the quantity is available. A fleet of 5,000 Martin Mars would take 150,000 men two years to build and would need 20,000 brand new engines and propellers of the largest size, and many instruments.

That would interrupt the present bomber and fighter schedules for material. An equal number of transports, using the older type but serviceable engines, could be built by half the men in half the time and need not interrupt the present production.

Dividend payments by stocks listed and traded on the Montreal Stock Exchange and Montreal Curb Market showed an increase of $1.5 millions during July to $21.8 millions. The gain was due wholly to an increase of nearly $2.8 millions in the utilities section, where Brazilian Traction paid 40c a share this year against nil last year.

Germany's New Fighter Plane

(Continued from page 1)

machine guns; it is well protected with armor; manoeuvrability is average; diving speed very great.

Good Where it Counts

Thus the German machine is good in all fighting qualities that matter. It has a well balanced design compared with Messerschmitts in which speed and climb are the only outstanding qualities.

The most striking feature of the "190", and a feature from which its success is gained, is the new BMW 801 14-cylinder, two-row, air-cooled, radial motor. Apart from the United States Thunderbolt Lancer and Corsair no other up-to-date fighter today has a radial motor. All of them swung over to the sleeker, liquid-cooled types. BMW installation in the "190" is probably the most advanced job of its kind in existence.

Steal from U.S.

Its excellence is not so much in the engine itself, blatantly derived from the United States Pratt & Whitney Twin Wasp, except for advanced direct injection, but in the cowling and cooling of the motor. The cowling is so clean and carefully designed that it has probably saved several hundred horsepower otherwise wasted. A very small cooling orifice is used and forced draught is gained with a 12-bladed fan geared to the airscrew. It provides good cooling with little drag at the take off and in the climb. Cowling gills, which usually take off several miles an hour, are replaced by a controllable slot.

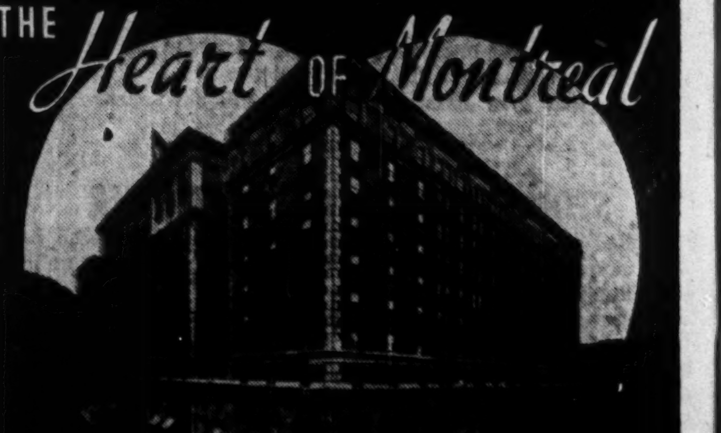
There is an oil cooler inside the nose of the cowling with a French Mercier type reverse flow nose ring. This is the best cowling installation ever. The BMW "801" engine is highly supercharged and gives about 1,500 horsepower at 19,000 ft.

The result is that "190" has a good performance right up to 30,000 ft. This German fighter should prove a useful spur to British and American industries to go out and do better. The secret lies in engine development. With a little more effort and quick decisions we can far surpass anything yet seen.

Meanwhile, the "190" is formidable but not decisively superior to British types. By fighting lower down we can offset the Germans' supercharge advantage. The enemy may get some shocks before long. Certainly in the new "Typhoon" we have a fighter considerably faster at average heights and more manoeuvrable.

MOUNT ROYAL HOTEL

THE *Heart* OF *Montreal*



For

BUSINESS OR PLEASURE

it's the

MOUNT ROYAL HOTEL

Direction of VERNON G. CARDY

This Week The Financial Post Asks

Canada needs an army and arms production. In view of our manpower crisis to which do you think we should devote more emphasis?

W. S. Beaton

Mayor, Sudbury, Ont.

The nickel district has 12,000 men actively engaged in vital war industry — nickel, copper and many precious metals. They are a magnificent essential contribution in a war of machines where mechanized equipment is the vital factor in defeating the enemy. At the same time we should strain every resource to build and augment our air force, navy and army in order to have it the most mobile and best equipped in the world.

• • •

J. R. Burnett

Editor, The Guardian, Charlottetown, P.E.I.

Conscription for overseas service being approved, our total manpower is at the disposal of the government. To what immediate purpose should the new supply be applied?

Our overseas forces, fortunately, do not yet require replenishing, though there must be an adequate reserve ready here when reinforcements are necessary. There is, however, an immediate and urgent demand for arms and equipment and it should be the primary duty of the government on the principle "first things first" to attend instantly to increase production that these potential sailors, soldiers and airmen now eligible may be properly equipped for service either at home or abroad.

• • •

Lt.-Col. Alan Cockeram

Former Member for South York and former Commanding Officer Irish Regiment of Canada, director of a number of Canadian gold mines.

Every physically fit man is needed in the armed forces and there he should be. The needs of the war industries can be met by men of lower category and by the employment of women. Our objective should be the largest army, air force and navy that the industries of the country can support in the field.

If, having met their requirements, those industries can still produce a surplus for the use of our allies, so much the better. The armed forces come first and industry must be co-ordinated to their necessities. No good Canadian asks a citizen of some other country to take his place in the battle line on the miserable pretext that he is supplying his weapons.

• • •

Percy T. Cole

Editor, Monetary Times, Toronto.

Your question presupposes as fact that there is at present a manpower crisis which many, including myself, find difficult to either credit or substantiate. Certainly Canada needs both an army and arms production. Is there any reason why we cannot have both, placing equal added emphasis on the two?

Surely no Canadian who does even elementary thinking will say that as long as we have failed to utilize every able bodied woman in munitions production we have reached our production peak, and as long as there are able bodied women not working some able bodied man must be kept out of the army. Give Elliot Little a few months — without political interference — and the question will answer itself.

• • •

James S. Duncan

President, Massey-Harris Co., Toronto.

My views on this subject were clearly expressed in an address to the Association of Canadian Advertisers on Oct. 31, 1941. I cannot personally conceive of a total war effort without selective compulsory service which is merely the instrument to enable the government to catalogue its manpower so that it may place each one where his services can be most effectively used.

This would enable the government to retain in key positions those required for the industrial effort, production of foodstuffs, etc., at the same time placing at the disposal of our armed forces at home or abroad those whose age and qualifications best fit them for such duty.

• • •

Walter L. Gordon

Partner, Clarkson, Gordon, Dilworth & Nash, Toronto, Chartered Accountants.

We have spent a great deal of money and effort on our arms programme, and it has been a very creditable performance to date.

The rate of production is now said to be approaching capacity, which means that employment in the munitions plants should be approaching the maximum. It is unlikely that any great number of additional plants will be built, because of material shortages, so that most of the manpower which can still be released from civilian jobs should be available for the services.

But it would seem foolish to reduce the effectiveness of the arms programme at this stage by transferring men from munitions plants to the armed services. The numbers which could be so transferred would be negligible compared with the total numbers in either the Allied or Axis armies.

• • •

David S. Greig

Editor, The Times, Moncton, N.B.

While numerous factors dovetail to assure eventual victory for the United Nations, paramount among these is manpower and Canada cannot procrastinate any longer by pursuing methods which have thus far failed in producing the highest possible enlistment of fit Canadians to take their place with their allies in battling the common enemy in every theatre of war.

Canada must contribute her full share of men as well as war materials to this struggle for the survival of liberty and democracy, principles to which she subscribes and which she has sworn to defend.

But the prime necessity to achieve triumph in war is men, and Canada cannot falter in making a total 100% contribution. Her allies look to her to muster the strongest fighting force possible and they have a right to expect that this be done now.

• • •

G. A. Hunter

Managing Editor, The Daily News, Prince Rupert, B.C.

Canada, now faced with the very definite possibility of having to defend her own shores from an invasion attempt, in addition to providing possible further expeditionary forces abroad, most certainly needs to continue concentrating on building up her army.

The manpower crisis notwithstanding, arms production in support of Canada's army and the armies of some of the Allies, while of utmost importance, is possibly of secondary consideration to the army. There are manpower (and womanpower, too) resources available in greater variety for arms production than for the army. Courageous and proper selective utilization of Canada's manpower would go far to alleviating the present manpower crisis. If each man and each woman were doing his or her proper war job Canada's army and Canada's arms production would both be on a more efficient basis.

• • •

Frank X. Jennings

Editor-in-chief, Telegraph-Journal and Evening Times-Globe, Saint John, N.B.

In my opinion, the two objectives are equally important. The need of a strong, well-trained fighting force, capable of use wherever our front line of defense may be, requires no argument.

The allied nations must have every ship, plane, gun, tank and shell that their united resources can produce, and Canada's contribution must be no less than her maximum. If we have not enough men to meet both our requirements, then more of our women must come forward and help to meet the emergency.

• • •

Morley Lazier

Assistant Professor, Applied Mechanics, University of Toronto.

Not being privy to the grand strategy nor the planning which will develop the tactics effectively, I can make no division of available manpower in Canada for army and production.

This is a statistical problem requiring great skill and authoritative knowledge for its attack. Its solution requires a form of genius which seems to be rare. Any opinion of mine based on my present ignorance could be dangerous and misleading to strangers.

• • •

E. J. Mooney

Chief Assessor, City Hall, Saint John, N.B.

In total war there should be no question whether greater emphasis should be placed on army or arms production. To me there is only one right answer — maximum production and likewise the greatest army possible — if it means the conscription of every able man and woman in Canada.

For gallant men to go down to defeat for want of arms we might have supplied would be criminal, but certainly Canada will lose face if she but places her weapons of war in the hands of fighting sons of other nations. At the peace table will the question be who supplied arms, or who bled and died for victory?

• • •

John M. Murphy

Editor, The Daily News, Truro, N.S.

From what information we have it would appear that allied defeats so far have been the result of the scarcity of weapons of war as well as manpower. From the defeat in Libya we learn that inferior numbers of the enemy turned the tables on our forces because of superior weapons. It would seem, therefore, that the weapons are the all-essential war production which comes first.

In this case the horse must get before the cart. Manpower engaged in war industry could be conscripted and trained after working hours in the reserve army units to be ready for any unforeseen emergencies.

• • •

J. S. Roy

Independent Member of Parliament for Gaspé, Que.

The weakness of the Allies lies mainly in lack of war materials. Production is the most important factor, a United States official stated last week.

There is a serious shortage of labor in Canada. That problem was well stressed in the House of Commons on July 16 and 25 by Hon. Mr. Howe and Hon. Mr. Mitchell. If Canada had a population of 50 millions all employed on war production, that would be the real hope of victory.

Canada should not weaken its economic structure with further enlistment for overseas fostering national division. We must maintain and increase production and ensure the defense of the land successfully against enemy attacks.

We cannot shirk those responsibilities. The issue is too uncertain to carry risk by putting all our eggs in the same basket and lose everything.

• • •

Harris L. Walsh

Editor, The Standard, St. Catharines, Ont.

The question is a fair one. Would there be a manpower crisis in Canada as between munitions production and the needs for the services if a wise and intelligent selective service draft had been worked out which would have been the only value of national and other registration?

It is an axiom from all the highest leaders of war that we can choke the ports with all the guns, planes and munitions we like, but in the end there must be the men trained to handle them. Our overseas men must not be let down, must not be skeletonized in battle. Comb everything in non-essential industries and exempt skilled artisans.

• • •

C. C. Williams

Mayor, Regina. Sapper, Dundurn Camp, Sask.

This is a machine age and a mechanized war and in my opinion Canada should concentrate on an arms production programme at the present time. The army has in the past shown its ability to take care of itself in regard to manpower and we may consider it will continue to do so.

Possibility of production outdistancing manpower should not hinder our country from amassing large stores of arms and materials.

Full production should go ahead at all costs.

IMPERIAL POLICIES *Assure* 700 MORE CHILDREN a *"Head Start"* in life

On The Record for 1941

● Among the 8,000 new Imperial Life policyholders last year, over 700 were young children for whose benefit their parents had arranged Thrift Policies or Educational Policies.

The Child's Thrift Policy of The Imperial Life is a savings plan with special features. Under it, if the parent dies, all premium deposits thereafter until the child is age 21 are made by the Company.

The Imperial Child's Educational Endowment plan is one that ensures funds for education when the child is ready to enter college or go into business.

Whether it be Thrift or Educational insurance an Imperial Life Policy will give *your* child a "head start" in life. Why not investigate? To a growing cross-section of the people of Canada The Imperial Life is "my insurance company".

COUPON

Imperial Life Assurance Company,
Head Office, Toronto.
Please furnish, without cost or obligation, information about the above policies. My children's
ages now are ....
My age is..................
Name..............................
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IMPERIAL *Life*
FOUNDED IN 1897
BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

'Alcohol' Net Ahead for 1942

Earned 41 Cents a Share In 9 Months Against 28 Cents Year Ago

From Our Own Correspondent

MONTREAL.—Canadian Industrial Alcohol Co. reports net profit of 41 cents a share for the nine months ended May 31 last, compared with 28 cents a share in the like period of the preceding year.

Returns for the quarter ended May 31 show gross income at $60,000 greater than for the like period of the preceding year. Taxes were higher, but the advance did not prevent the company from showing a larger net profit.

Three Months Ended May 31

	1942 $	1941 $
Oper. profit	371,957	311,155
Other income	28,505	15,254
Total revenue	400,462	326,409
Less: Exec. sal., etc. ..	11,606	9,070
Bank interest	......	2,972
Depreciation	41,400	39,192
Income taxes	155,348	144,897
Net profit	192,098	130,278

Nine Months Ended May 31

	$	$
Oper. profit	974,726	753,510
Other income	59,659	25,378
Total revenue	1,034,385	778,889
Less: Exec. sal., etc. ..	31,049	27,592
Bank interest	211	9,237
Depreciation	125,131	118,023
Income taxes	422,222	313,671
Net profit	456,771	309,766

Seagram Golf Cup Up for Renewal

First presented in 1936 as symbolic of the Canadian Open Golf Championship, the Seagram Gold Cup will be played for again Aug. 6, 7 and 8 at the Mississauga course, outside Toronto.

Many of the best-known names of golfdom have entered the quest for the beautiful gold cup awarded by the House of Seagram. Included in this year's entry list are such stars of the links as Lawson Little, Horton Smith, Harry Cooper, Joe Kirkwood, and Bob Gray, the Canadian runner-up last year.

As in the past the entire net profits of the tournament will be donated to the Canadian Red Cross Society.

PROVINCIAL TRANSPORT COMPANY
THIS FLEET TOO—

is doing a vital wartime job!

PROVINCIAL TRANSPORT COMPANY'S fleet of buses has a bigger job than ever, for the duration—**keeping vital wartime traffic on the move!** This means carrying members of His Majesty's Forces on furloughs, war workers to jobs, troops on urgent movements—as well as business men on essential trips made necessary by wartime activities. Because of present conditions, some changes in service have been made that may result in crowding, inconvenience or delay on some occasions. Please be lenient—and cooperative. Everyone can help several ways—by taking only necessary trips, by traveling on mid-week days, rather than on week-ends, holidays or during rush periods—by getting tickets and information in advance—and by traveling with as little baggage as possible.

THE WAR EFFORT MUST COME FIRST WITH PROVINCIAL

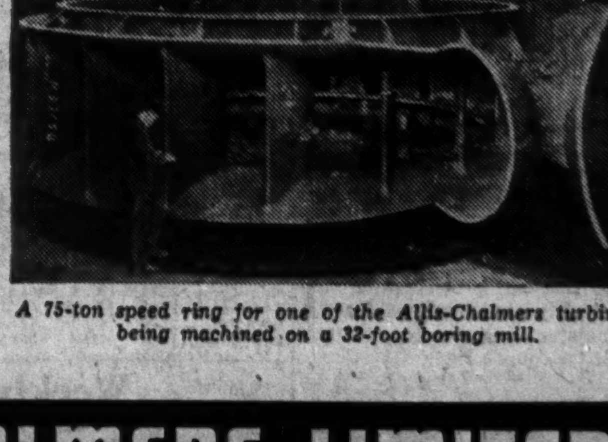
PROVINCIAL TRANSPORT COMPANY

1188 Dorchester St. West (Corner of Drummond) — Montreal

POWER TO WIN

The plate-steel spiral casing (rough weight, 115 tons) for one of eight 90,000 hp Allis-Chalmers turbines, is completely arc-welded. The spiral casings have an inlet diameter of over 16 feet and an over all diameter of approximately 49 feet.

C A-C builds Canada's most powerful Hydraulic Turbines



A 75-ton speed ring for one of the Allis-Chalmers turbines, being machined on a 32-foot boring mill.

Electricity and more electricity is the urgent call from Canada's war industries. To help meet the demand Canadian Allis-Chalmers is building eight 90,000 hp turbines — the most powerful ever built in this country. The turbines will drive 75,000 kva generators in a large hydro-electric development which will supply electric power to an important Canadian war industry.

CANADIAN ALLIS-CHALMERS LIMITED
HEAD OFFICE: TORONTO — WORKS: TORONTO AND MONTREAL
SALES OFFICES: VANCOUVER TRAIL EDMONTON CALGARY WINNIPEG NEW LISKEARD OTTAWA MONTREAL HALIFAX

Bonds and Preferreds are Wartime Favorites

Nine out of 24 Security Groups Show Gains Since War Started

Admittedly, it is always easier to invest using hindsight than it is using foresight, but from the pattern of what has happened in the almost three years the war has lasted, there is much that may be a guide for coming months.

Out of 24 indices of Canadian stocks and bonds, nine have shown gains from Aug., 1939, to July of this year.

It has become clear that fixed income securities, such as bonds or preferred stocks, have been by far the better investment during this war period. Out of the nine groups to show gains, five are bonds—public utility, industrial and Dominion.

Preferred stocks have remained practically stable, declining 2.4% since the war started and 4.2% since the beginning of this year.

Paper Bonds Outstanding

Pulp and paper bonds, starting from the extremely depressed level of the middle of 1939, have shown a gain of 175.5% to the middle of July this year. Moreover, it appears that bonds of such companies are less sensitive than are their stocks to immediate changes and conditions. Recent months have seen evidence that the pulp and paper industry of Canada may have passed its peak, a fact particularly affecting the newsprint end of the industry. This has resulted in stocks of these companies declining 16.2% since the beginning of 1942 although still up 8.3% since the war started.

Undoubtedly the major factor influencing the satisfactory performance of bonds in wartime has been the operation of the tax schedules. In his recent budget address, Finance Minister Ilsley admitted that there was discrimination existing in the Canadian corporation tax structure in favor of the bondholder as opposed to the stockholder.

Bond interest is a charge against taxable income. It must be paid before a balance is arrived at on which income taxes must be calculated. Dividends for shareholders are not.

This factor, of course, has had nothing to do with the performance of Dominion long term bonds, the market for which is admittedly influenced by patriotic factors and the government success in maintaining and controlling financial markets. Evidence of continued ability to finance the war on a 3% basis imparts strength to the whole bond list.

Transport Leads Stocks

Among stocks outstanding performance has been given by the transportation group, in this case represented by Canada Steamship Lines and Canadian Pacific Railway common shares. These two stocks are up 50.7% since the war started, although down 5.1% this year to date.

They also reflect a wartime start from a depressed condition, but even more does this action reflect continued high rate of operations with no let-up in sight. Transportation is a service even more vital in war than in peace, and one on which demands increase rapidly.

Textiles and Beverages

Two other stock groups have given a relatively satisfactory performance since the war. Textiles and clothing are up 14.8% as a group. The group includes Bruck Silk, Canadian Celanese, Cosmos Imperial, Dominion Textiles, Harding Carpets, Mercury Mills, Penman's, Regent Knitting, Wabasso Cotton and York Knitting.

All of these have been called upon to supply tremendous quantities of textiles for the military services, and, in addition, have benefitted from rising civilian consumption. They are fortunate in that they produce an essential material and one in which to date relatively small difficulties have been met in obtaining materials. Whether this condition is to continue indefinitely it is hard to state, but there have been fundamental changes in the industry which are likely to have long term affects.

The beverage group is heavily weighted by Distillers Corp.-Seagrams and Hiram Walker-Gooderham & Worts, which do about 90% of their business in the United States. Their sales have been rising spectacularly and to date they have been able to show profit rising with them. Increasing demands in both Canada and the United States are being made on this industry to turn out industrial alcohol for munitions and, more recently, for the manufacture of synthetic rubber.

Machinery and Equipment

Although showing a drop of 10.4% since the war started, the machinery and equipment group has given the best performance among stocks since the first of this year with a rise of 4.4%. This group includes firms exceedingly active in producing war materials. The eight companies in it are: Canadian Car & Foundry, Cockshutt Plow Co., Fleet Aircraft, Ford of Canada class A, General Steel Wares, Massey-Harris, National Steel Car and Page-Hersey.

Closely following the machinery and equipment group is the one termed "building materials," which, however, is heavily weighted by the inclusion of the major steel shares such as Dominion Steel & Coal class B stock, and Steel of Canada. In addition it includes a number of other concerns making materials going into building of all kinds, steel companies, bridge and construction companies and others. Since the first of this year this group index has risen 1.6% but for the war period it is down 12.7%.

All other groups are down by varying percentages. Gold shares have suffered worst, with a 42.6% decline since the war started, 24.7% since the first of this year.

Oil stocks, in this case the major refining and distributing companies in Canada with the addition of International Petroleum, are down 36.1% for the year but appear to have struck a stable level as the decline is only 2.3% since 1942 started. This last group is one in which many factors difficult to estimate are operating. There is the possible effect of rationing of civilian consumption of petroleum products. Of even more importance, there is the serious threat to their transportation and access to an adequate supply of crude oil. There is, on the other side, peak demand which requires operation at the utmost levels which available crude supplies may permit. At the same time it is not expected that earnings can hold previous levels although how much the decline will be, it is difficult to state at present.

Foods Are Down

In spite of rising sales and peak demands for both civilian and military requirements, the food and allied products group has made an unsatisfactory showing since the war started. This probably reflects the effects of price control, rising costs operating against narrow profit margins and possible threat to supplies.

The group of securities is a broad one, including baking companies, canneries, meat packing concerns, retail stores, dairies and tobacco companies.

The Metal Mines

Consolidated Mining & Smelting Co. and International Nickel, termed industrial mines by the Dominion Bureau of Statistics, have not prospered in this war in spite of strenuous efforts to boost production ever higher. This probably reflects the investor's knowledge that they operate under fixed selling prices and long term contracts and possibly also a suspicion that the wartime stress to boost production may not do the mines themselves much good although the companies may be left with greatly expanded facilities.

Closely allied to the performance of the industrial mines is that of the base metal group where the same set of factors must be considered.

Inflation Influences

In this whole study, there is more evidence of the traditional workings of inflation influences in the way they have hit certain securities than in the way in which they have helped others. It might be construed that the relatively unsatisfactory performance of such groups as the power and traction and telephone and telegraph is due to the investor's fear of the effects of higher costs against fixed selling prices although in spite of these factors the earnings of this group have been satisfactory.

The milling companies, favored war stocks of the 1914-18 period, have done little to be proud of this time. Their record is one of 22.1% decline since the war started and one of 3.6% this year to date. This has happened in the face of higher rate of operations than had prevailed for many years.

Bank stocks are about the middle of the list although their performance has probably not been giving investors much reason to be happy. With one dividend reduction announced and at least one more considered probable, outlook for bank shares is becoming less favorable.

WARTIME STORY OF SECURITY GROUPS

	Jan. 2, 1942, to July, 1942 Amt. of change	%	Aug., 1939, to July, 1942 Amt. of change	%
Pulp and paper bonds	+ 8.5	+ 11.9	+ 50.9	+175.5
Transportation	— 3.2	— 5.1	+ 20.1	+ 50.7
Textiles and clothing	— 8.1	— 7.3	+ 13.2	+ 14.8
Pulp and paper stocks	— 11.6	— 16.2	+ 4.6	+ 8.3
2nd grade utility bonds	+ 14.1	+ 23.8	+ 4.3	+ 6.2
Dominion long term bonds	+ 5.6	+ 5.6	+ 4.8	+ 4.9
Beverages	— 10.8	— 10.2	+ 1.5	+ 1.6
1st grade industrial bonds	+ 1.6	+ 1.6	+ 1.5	+ 1.5
1st grade utility bonds	+ 1.4	+ 1.4	+ 0.9	+ 0.9
Preferred stocks	— 4.2	— 4.2	— 2.3	— 2.4
Machinery and equipment	+ 3.3	+ 4.4	— 9.0	— 10.4
Building materials	+ 1.2	+ 1.6	— 11.1	— 12.7
18 utilities	— 1.2	— 1.7	— 12.4	— 15.3
Banks	— 4.5	— 5.0	— 17.2	— 16.7
Milling	— 2.6	— 3.6	— 19.8	— 22.1
Power and traction	— 0.7	— 0.1	— 20.2	— 23.6
95 common stocks	— 4.6	— 6.9	— 22.2	— 25.9
Telephone and telegraph	— 6.8	— 7.1	— 29.5	— 26.6
Base metals	— 10.6	— 15.1	— 24.6	— 28.3
68 industrial stocks	— 5.5	— 8.4	— 25.2	— 29.7
Industrial mines	— 9.6	— 13.0	— 31.3	— 32.8
Foods and allied products	— 15.2	— 16.6	— 36.0	— 32.8
Oils	— 1.1	— 2.3	— 26.8	— 36.1
Gold mines	— 20.7	— 24.7	— 46.7	— 42.6

NOTE: Indices of pulp and paper, utility and industrial bonds supplied by Montreal Gazette; gold mines and base metals supplied by Toronto Stock Exchange; all others by Dominion Bureau of Statistics. Dominion long term bond yield index used to indicate gain in price although yield is thereby lowered.

The Bondholder

King Edward Hotel 7% refunding bonds due 1944 have been one of the most outstanding features of the corporation bond list recently. Quoted around 24 bid at mid-week the bonds were seven points higher on the week and 16 points up on the month. The expected offer for the assets backing these bonds has developed with Metropolitan Life Insurance Co. bidding $375,000 for the hotel's furnishings and equipment. The bid has been approved by the receiver and manager and the bondholders committee. It goes to the court for consideration shortly after this issue of The Financial Post goes to press.

The official announcement of the offer stated that it was expected that there would be a distribution possible of probably more than 25 points per bond. Further information indicates that an amount appreciably greater than this minimum may be paid.

On the $1.1 million of 7% bonds outstanding the Metropolitan's offer works out to around 34 points per bond. There are various expenses, such as trustee fees, etc., to be met. However, it is understood that other assets such as beverages, food, bond holdings, etc., which are not being bid for by Metropolitan should be sufficient at least to cover these expenses and leave the $375,000 relatively clear for eventual distribution to bondholders. Nothing will be left to the junior issues.

* * *

This sale, if completed, finishes an investment which has been far from satisfactory to many Canadians. There was a separate first mortgage for $2.2 millions on the real estate, all held by the Metropolitan Life Insurance Co., New York. This was foreclosed in 1935, giving the Metropolitan full title to the building and real estate.

As security for the $1.2 million of 7% refunding bonds, the $200,000 of 6½% general mortgage bonds, held by United Hotels Co., holder of 51% of the common, and the $3.3 millions of 6% general mortgage debenture stock, there remained the furniture, fixtures, equipment, supplies, current assets and goodwill. The 7% refunding bonds, ranking senior to the other securities, get all this, leaving nothing for the holders of the debenture stock. This stock was issued in 1924, par for par for the preferred and common stocks of King Edward Construction Co., formed in 1919 to build an extension to the original hotel.

Now in the final settlement, something more than $375,000 is going to be realized on assets securing bonds of which $1 million were sold for $990,000 in 1924. It is another casualty from the inflated real estate boom of the 1920's.

* * *

International Hydro Electric System's order from the S.E.C. to dissolve finds the 6% debentures of 1944 selling around 32. On the basis of market break-up value this price is several points below the total current value of Hydro's holdings. The 1.4 million shares of Gatineau at current market amount to around $8.6 millions and the 821,000 odd shares of New England Power work out to around $1.2 million. The total value of these two holdings alone at $9.8 millions is equivalent to about 37 points per International Hydro debenture. In addition, Hydro wholly owns Hudson River Power Corp. and Corinth Electric Light, which are not possible to weigh on the open market standard.

* * *

St. Boniface, Man., negotiations with its bondholders, looking toward arrangement of a refunding plan are still continuing. According to sources in close touch with the situation, there does not appear to be much immediate likelihood of a settlement being reached. Meanwhile the municipality has announced that interest maturing in 1941 is to be paid at half the coupon rate.

* * *

New Brunswick's issue of $3¼ millions 3¾% 12-year refunding bonds is meeting with a good reception, according to members of the selling syndicate. That the province will be able to show a sizeable surplus this year, despite provision of an unbudgeted $357,500 to pay off the premium on the refunded bonds, is said to have created particular interest.

Billion Dollar Gift Almost Half Gone

Almost half of Canada's billion-dollar gift to Britain was used up in the first quarter of the fiscal year. In June the Dominion provided $216.4 millions under the U. K. War Financing Act, bringing total in the three months to $436.4 millions.

It is understood that some $73 millions of this total applies to previous transactions.

A sharply increased war bill along with compensation to the provinces and higher interest on the public debt brought total June expenditures to $423.5 millions. Receipts in the month were $115.4 millions, for a deficit of $308.1 millions. In June, 1941, deficit amounted to $4.6 millions. During the first three months of its fiscal year the Dominion piled up a deficit of $433 millions as compared with a surplus of $95.8 millions in the first three months of the 1941-42 fiscal year.

Receipts in June at $115.1 millions were 35% better than a year ago, while ordinary expenditures at $67 millions were 173% higher. The heavy increase in the latter item was largely due to $32 millions compensation to the province and an increase of almost $10 millions in interest on public debt. War expenditures in June of $138 millions were 114% higher than in June, 1941. War costs for the first three months at $481.5 millions were 139% higher than the same period a year ago.

Following is a tabulation of government receipts and disbursements for June and for the first three months of the current fiscal year:

June
(In $000's)

Receipts:	1942	1941
Customs duties	10,845	9,762
Excise duties	11,090	8,373
Excise taxes, sales, etc.	37,985	32,793
Income & E. P. taxes	48,655	29,445
Post office	3,200	3,202
Sundry	3,405	1,647
Special	263	55
Total receipts	115,444	85,280
Disbursements:		
Ordinary expend.	67,056	24,600
Capital exp.	379	176
Relief	1,346	444
War	138,340	64,635
U. K. War Fin. Act	216,428	......
P. E. I. car ferry	33	65
Sundry	8	10
Total expenditures	423,591	89,932

Three Months Ended June
(In $000's)

Receipts:	1942	1941
Customs duties	30,417	30,617
Excise duties	29,585	23,401
Excise taxes, sales, etc.	93,183	82,173
Income & E. P. taxes	444,777	237,440
Post office	10,100	9,510
Sundry	11,436	4,890
Special	758	107
Total receipts	620,257	388,140
Disbursements.		
Ordinary expend.	132,713	89,520
Capital exp.	458	360
Relief	2,109	1,071
War	481,503	201,184
U. K. War Fin. Act	436,428	......
P. E. I. car ferry	99	132
Sundry	13	25
Total expenditures	1,053,325	392,293

The Shareholder

What happens when a group of stocks cuts dividends is illustrated by price action of Canadian bank stocks recently. New and higher taxes brought lower net profits and dividend reductions have become general.

An exception is the Bank of Toronto which is able to maintain its 10% rate.

For the others, dividend reductions have already been announced or are expected before the end of the year. Cuts have been uniformly $2 a share but this means a varying percentage for different banks. How the old and new rates compare is shown by the table which follows:

	Old Rate $	New Rate $
Nova Scotia	12	*12
Montreal	8	6
Toronto	10	10(unch.)
Canadienne Nationale	8	6(est.)
Commerce	8	6
Dominion	10	8
Royal	8	6
Provincial	6	not known

*No change announced to date.

Bank of Nova Scotia has not announced a reduction in dividends as yet but this bank's officials point out that it has not escaped from the effect of taxes any more than the others. From this it is expected that, when the time for declaration of the next dividend comes around, it will be at a lower rate.

* * *

Cause of this outbreak of lower dividends is stated to be entirely taxes. The new E.P.T. means that a company can only earn 70% of its pre-war standard profit when subject to E.P.T. This condition is going to last for the duration of the present tax schedule so that no relief is in sight.

Bank stocks, high priced and not actively traded, are perhaps more vulnerable than would be other types to events of this kind. There has been a kind of sanctity about bank shares and their dividends, dividends which many people associate with the return on Dominion bonds, unwisely, as has now been demonstrated.

There is nothing whatever in the dividend reductions which reflects on the stability of the banks themselves; it is a sound measure recognizing existing conditions.

What it has done to bank stock prices and yields is illustrated by the table which follows:

	—June 30— Price $	Yld %	—July 27— Price $	*Yld. %
Canadienne Nat.	148	5.4	134	4.5
Montreal	178	4.5	145	4.1
Nova Scotia	272	4.4	260	4.6
Toronto	225	4.4	225	4.4
Commerce	148	5.4	125	4.8
Dominion	174	5.7	150	5.3
Royal	150	5.4	140	4.3

*Giving effect to new rates where indicated or announced.

Bank shares had already begun to reflect the possibility of changes prior to the end of June although by far the greater portion of the decline from 1942 highs has taken place since the middle of July.

It is significant that, although the price declines are substantial, in all cases where actual dividend reductions have been announced, today's quotations mean a lower yield than prevailed prior to the first of July.

* * *

Portfolio changes made by Corporate Investors Ltd. have not been numerous recently. Since the end of April, however, the trust has sold all of its Dominion bonds and has added Maple Leaf Milling Co. bonds. Among stocks, Andian National shares have been eliminated since the end of April. As compared with the detailed portfolio published at Dec. 31 last, there are added amounts of Canada Packers, Lake of the Wood Milling and Moore Corp., these stocks being now among the group in which the trust has its largest holdings.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-41:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	59.8	63.4	46.5	76.0	76.9	67.0	71.2	60.3	83.6	65.2	63.9
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.3
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.1	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
June	76.2	61.1	69.6	44.5	106.6	73.9	93.6	76.8	64.3	87.7	68.1	62.8
1942: Weekly Figures:												
July 2	75.2	59.1	68.8	43.3	103.7	72.4	92.4	75.7	62.9	87.4	65.8	61.2
July 9	77.8	59.9	69.8	47.4	102.3	76.4	95.3	76.3	65.3	85.8	68.7	63.6
July 16	77.1	59.5	66.5	46.5	101.8	75.4	95.2	75.7	64.3	84.9	67.0	62.4
July 23	76.0	58.8	63.2	46.2	100.3	75.8	95.7	75.3	65.3	80.4	68.0	62.0

*High and low for years from 1929 to 1941 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 28	84.07	61.99	59.72	15.85
July 27	84.61	62.12	59.91	15.86
July 25	84.30	62.22	59.92	15.86
July 24	84.54	62.07	59.92	15.86
July 23	84.66	62.30	59.70	15.86
July 22	84.98	62.59	60.19	16.05
Month ago	83.83	65.88	61.41	16.38
Year ago	92.86	103.75	69.17	19.28
High 1942	93.50	83.71	71.01	18.86
Low 1942	79.85	61.04	59.65	15.85

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cbd.	10 Pprs.	15 Golds
July 28	43.7	54.7	51.0	52.66	39.20
July 27	43.6	54.7	51.0	53.12	39.34
July 25	43.7	54.9	51.1	52.85	39.42
July 24	43.8	54.9	51.2	52.78	39.76
July 23	43.5	55.0	51.1	52.74	39.76
July 22	43.3	55.2	51.2	52.65	40.02
Month ago	42.7	56.0	51.5	54.73	41.90
Year ago	45.3	59.4	54.7	70.44	71.94
High 1942	44.8	60.5	54.7	77.18	54.82
Low 1942	39.6	54.7	50.0	52.65	36.94

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Dartmouth, N.S.	July	Royal Bank	3½% 3½%	1943-55 1943-50	$16,000 3,600	100.85 102.30	....
Arnprior, Ont.	July	W. C. Pitfield & Co.	4%	1943-57	12,000	104.40	3.368%
St. Hyacinthe, P.Q.	July	Wood, Gundy & Co.	3½% 3½%	1951-62 1943-62	15,500 25,000	100.563	.....
Provincial—							
New Brunswick	July	Midland Securities and Syndicate	3¾%	1954	$3,250,000	*100.00	3¾%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	*Offered by	Rate	Due	Amount	Price	Yield
Sisters of Providence	July	Paul Gonthier & Co.	3½%	1943-52	$200,000	*100.00	.....

Canadian Moss Needed in U. S.

Sphagnum From B. C. Used in Magnesium Process

A wartime demand for 700,000 to 1 million bales of sphagnum peat moss from Canada has developed in the United States due to expanding magnesium production.

Peat moss has several uses such as fertilizer, stable and poultry litter, packing material for fruits, vegetables, eggs, plants and fragile articles and as an insulating material in the building trade. Its latest use is as a refining agent in the manufacture of magnesium.

One of the principal producers of magnesium, Basic Magnesium Corp., Las Vegas, Nev., alone will require up to a million bales of sphagnum peat moss annually.

Enquiries indicate that the quantity and quality of peat moss required are not obtainable in the United States, but that a British Columbia product meets requirements. Adequate supplies for the Basic Magnesium Corp. plant are to be made available from B.C.

Canadian Controls

Canada has just issued an order controlling export and sale of sphagnum moss from B. C., presumably as part of the programme to supply U. S. needs.

Current wholesale price for peat moss is $2.65 a bale, delivered in carload lots. Each bale is 22 in. by 20 in. by 40 in. and contains from 10 to 12 cu. ft. of compressed moss.

Pre-war imports of peat moss into the United States came largely from European sources, with Canada supplying only about 4%. Increased demand for Canadian peat moss will probably be maintained for the war's duration or longer. Total U. S. production of peat of all types in 1939 was valued at $326,066 for 55,483 tons, an increase of 27% in value over 1938. Only 11% of this was peat moss and other peat. For the first nine months of 1941 Canada shipped 20,347 tons. or 95% of total imports to the United States.

Bond Tenders

5 p.m., Aug. 3, Granby, P.Q.—$10,000, 3½% or 4%, dated July 1, 1942, redeemable serially from July 1, 1943 to 1962. A. Montfils, sec.-treas.

5 p.m., Aug. 3, Cap-de-la-Madeleine, P.Q.—$118,700, 3½% or 4%, dated Aug. 1, 1942, redeemable serially from Aug. 1, 1943 to 1962. F. Beaumier, clerk.

8 p.m., Aug. 10, Ste-Anne de Bellevue, P.Q.—$36,000, 4%, dated July 15, 1942, maturing in series from July 15, 1943 to 1962. Emile Robillard, sec.-treas.

12 noon, July 30, Canada Treasury Bills—$45,000,000, dated July 31, 1942, payable Oct. 30, 1942.

Power Demands Advance 22.7%

Gain in First Half of Year Nearly 3 Times Pre-War Rate

From Our Own Correspondent

MONTREAL.—Rising wartime industrial operations is reflected in consumption of electrical energy. For the first half of this year firm power consumption was 22.7% over like period of 1941, which in turn was 20% over the first six months of 1940. The average increase in the three pre-war years was 6.6%.

According to the Dominion Bureau of Statistics, central electric stations produced 18.6 billion kw.h. of electrical energy in the first half of 1942. This contrasts with 15.7 billion kw.h. for the like period a year ago.

Gains Are General

Particulars of production by provinces follow:

Six Months Ended June
(Thousands of Kilowatt Hours)

	1942	1941
Prince Ed. Island	4,794	4,115
Nova Scotia	251,566	235,107
New Brunswick	261,642	238,989
Quebec	10,320,601	8,222,562
Ontario	5,163,037	4,754,921
Manitoba	826,439	710,499
Saskatchewan	309,506	286,756
Alberta	186,912	144,001
British Columbia	1,287,887	1,135,435
Total	18,612,384	15,732,385

Exports of energy to the United States for the first half of the current year totalled 1¼ billion kw.h., an increase of 73 million kw.h over the like period a year ago.

Porto Rico Property Taken Over by U. S.

From Our Own Correspondent

MONTREAL. — Properties of Puerto Rico Railway, Light & Power Co., subsidiary of Porto Rico Power Co., have been transferred formally to the U. S. Federal Works Department. This follows a judgment by Judge Cooper, of San Juan, authorizing the United States Government to take possession of the property of the subsidiary after July 20.

The sum of $6¼ millions deemed "just compensation for the property by the Federal Works Administrator" had been on deposit with the courts since June 29. This figure, is considerably under book value of the assets of the company.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Paton Mfg.	‡4½%	1956	Sept. 1	103
Gt. W. Sad'y	6%	1948	Sept. 1	105
Ont. Pr. N. Falls	5%	1943	Aug. 1	†
Northern Tel.	4%	ser.	Sept. 1	101½
Cel. of Amer.	3%	1965	Aug. 7	101
Int. Paper, "A"	*6%	1955	Sept. 1	105
Pac. Petrol.	6%	1945	Sept. 1	100½

‡$12,500. †Tenders for $120,000.
*$431,000.

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Victory Bonds and War Savings Certificates provide the maximum of security.

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Limited

Freeze Your Own Food, Concern Invites Public

About a year ago two brothers, Howard and Roy Chambers, owners of the electrical equipment firm of General Merchandise Ltd., saw the wartime danger signal flashing for their type of business. Looking around for another line, they noticed that in the United States there were 5,000 plants in the frozen foods trade. With the frost put on their regular business, this new industry excited their interest.

Upshot is that the Chambers brothers now have in Toronto a frozen food plant capable of processing and storing 40 tons of food, where people can store their favorite viands for consumption out of season.

Such a system of storage is not brand new to Canada but the Chambers claims that they have the first fully equipped Canadian quick-freezing company to step into a big city business. Success of their enterprise, so far, is indicated by their efforts to get material for more plants. Their ultimate aim for Toronto is to have ten plants, and from there branch out to other big cities.

22 Below Zero

Secret of the whole scheme is the quick-freezing process. Meat, vegetables—almost any type of food can be instantly frozen at 22 degrees below zero. It is claimed this seals in the juices and retains the vitamin content. When a customer wants to use the frozen food, there is no wait while it thaws. A hard frozen steak can be popped into the frying pan and cooked in the normal way.

Money-making backbone of the trade is the rental of lockers which keep the frozen foods in their Arctic condition. For $12 a year you can rent a locker capable of holding a quarter of beef, half a lamb or 200 packages of frozen food. All the food is wrapped in special "locker paper", saving tin.

Beef Storage

For handling of beef the company has a process which includes hanging the beef for two weeks under ultra-violet rays and then quick freezing it. It is claimed that this ensures more tenderness. Customers can stand by the frozen meat, name their cut, watch the electric saw cut it off, and then place it in their own locker to be used as required. There's a plan under which quarterly cash dividends are paid to locker patrons whose purchases exceed a certain quota.

How It's Done

Customers are encouraged to prepare their own foods for quick-freezing. General Merchandise distributes explicit instructions to home gardeners on how to get their favorites ready. On the tough-to-process green peas instructions are:

> "Pod peas, wash and scald for two minutes, cool, and pack dry or with brine. After podding—speed is essential—do not let podded peas stand—rush them to the depot."

Being pushed is the quick-freezing of edible weeds. Many of the most ordinary weeds are tasty and nutritious. Sample instructions on how to prepare the milk weed for quick freezing:

> "Cut just before the leaves are half grown and handle the same as asparagus, when preparing for freezing. Milk weed on toast is a good substitute for asparagus on toast."

Other Brands

Canadians know frozen foods best through the "York" brand distributed by Canada Packers, and the "Birdseye" brand, distributed by Hudson's Bay Co. The processes for all lines are said to be very similar but the York and Birdseye brands are sold through retailers who are outfitted with special refrigerated cabinets. The General Merchandise set-up brings the individual consumer more intimately in touch with the process and is in opposition to the ordinary food retailer, Canada Packers and Hudson's Bay Co.

Massey-Harris Sets Records

Higher Farm Implement Sales, Rising War Output, Boost Activity

Massey-Harris Co. reports farm implement sales for the first six months of the current year in excess of those covering a similar period in 1941. Implement sales for the 12 months ending Nov. 30 next, however, will be lower than for the corresponding period of last year due to government restrictions.

War production is steadily increasing in all its plants in Canada and the United States, the company reports. This factor, together with the volume of business in its regular line, has resulted in greater manufacturing activity than has ever before been experienced.

Massey-Harris is now employing 10,000 workers compared with 7,500 a year ago.

Improvement in farm implement sales in the last six months is said to have been due to the urgent need for farm equipment, resulting from shortage of manpower, enhanced farm purchasing power and an important backlog of requirements. Farmers, foreseeing increasing shortage of farm implements, are ordering their machines several months earlier than would normally be the case.

Massey-Harris has declared a cash dividend of 62½ cents a share in Canadian funds on its new preference shares, payable Sept. 15, 1942, to shareholders of record Sept. 1. This is the regular half-yearly payment for the period ending Aug. 31, 1942.

Dive Bombers For Fairchild

From Our Own Correspondent

MONTREAL. — Fairchild Aircraft Ltd., will, under license from the Curtiss-Wright Corp. of Columbus, Ohio, manufacture a large number of dive bombers known as "Hell Divers."

The Curtiss factory is already turning out this type of aircraft for the United States navy. Fairchild has been selected to build additional quantities in Canada.

According to officers of Fairchild Aircraft, work on the Hell Diver will begin alongside production of the Bolingbroke bomber.

Build Large Number

No particulars are available as to the number of machines which will be built by Fairchild. However, it is indicated the contract will involve construction of "several hundred dive bombers as a start."

It is assumed the dive bombers will be assigned to the United States Navy, since it is a U. S. type. However, the order was placed with the company through the Canadian Department of Munitions and Supply and not by the United States Navy.

Canadian Car & Foundry Co. received an order for the same type of dive bomber a few months ago for production chiefly at its Fort William plant.

Market Opinions

Outlook for the immediate future, in the opinion of market observers, suggests need for caution and that time may be necessary for the market to respond to favorable factors.

Barron's, N.Y. (The Trader) — Stock market is still encountering adverse news on the war front and the corporate front. In receding only 2½ points after a 16-point advance in industrial shares extending over 11 weeks, the market has shown more stamina than available evidence would indicate was warranted. If it continues to stand its ground and, more especially, if extreme dullness of trading persists, it will be apparent that undisclosed favorable factors are evolving. Whether or not stocks react moderately from here out, the trend of events since the end of April warrants the belief that equities, with all their risks, have become more desirable than cash.

* * *

Barron's, N.Y. (The Dow Theorist)—Secondary uptrend which began in April appears to be losing its steam. Indications do not preclude the possibility of a renewed advance to new highs in both averages, but they do suggest that, if such an advance occurs, it might be the last chance in some time for traders to sell stocks they don't intend to keep for the long pull.

* * *

Magazine of Wall Street, N.Y.—As indicated by volume fluctuation, stocks continue to advance more readily than they decline. We favor selective purchases on recession and doubt that late June low will be broken.

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Sweden Pioneers in Budget Reform

Experience Suggests Extent of Canada's Problem

Canada this year starts an innovation in fiscal policies with a plan to immobilize an estimated $185 millions annually of our national income to be distributed after the war with the double objective of reducing purchasing power now and increasing it later.

This is roughly equivalent to a little less than 3% of Canada's estimated national income for this year. Question is, will this sum be sufficient to be effective in easing or preventing a depression.

Measured by other standards, this $185 millions would be something over a third of the Dominion's average total expenditures in the four prewar years. It would approach the total amount which the Dominion spent under the heading of special expenditures, which include unemployment relief and related items, for the four years 1932 to 1935 inclusive.

Although new to Canada, such a policy was adopted by Sweden shortly after the bottom of the depression.

Is This Enough?

Sweden, however, spent the equivalent of about 10% of its national income in the years from 1933-35, when unemployment was at its peak. The results obtained were spectacular but the measures taken were equally strenuous.

Canada's efforts to encourage recovery from the depression of the 1930's have been universally characterized as half-hearted and lacking effectiveness. It may have been a case of "too little and too late."

Sweden introduced a new principle in 1933. Briefly this provided that the budget was not to be balanced on an annual basis but in each business cycle.

This would be accomplished by increasing deficits during the depression cycle and surpluses during the boom years.

The object was to reduce economic fluctuations by expanding public expenditures in depression periods, and reducing them in times of prosperity.

More Budget Reform

All this was worked into the budget reform bill of 1937 which was first used in 1938-39. Essentially this provides that the estimates must be divided into two parts, each balanced independently. A model budget might be drawn up under the Swedish plan as follows:

CURRENT BUDGET
Income

1. Proper state revenues:
   Taxes, customs, excise, etc.
2. Income from capital funds:
   State enterprises.
   Central bank.
   Real estate.
   Loan funds.
   Shares, etc.

Deficit to be transferred to budget equalization fund.
Total ....

Expenditures

1. Proper state expenditures:
   Services of various depts.
2. Expenditures for capital funds:
   Public debt interest.
   Sums written off new capital investments.

Total ....

CAPITAL BUDGET
Income

Funds available:
Loans and realization of capital assets.
Total ....

Expenditures

Capital investment:
1. State enterprises.
2. Real estate.
3. Loan funds.
4. Shares.
5. Other funds.

Total ....

Surpluses and deficits are kept apart and transferred to a special budget equalization fund. This fund is to register the differences between budget estimates and actual receipts and expenditures. It must be kept at a certain level over a long run period. Each year's budget is to contain a programme for solving the balancing problem for the succeeding 10 years.

Maximum and Minimum

A special emergency budget is provided and passed each year. It is made up of conditional appropriations, adapted to a state of depression as a complement to the regular budget. The regular budget may be likened to the minimum requirements for a boom period; the regular, plus the emergency, budget to the maximum for a depression. This emergency budget would normally lead to a deficit as no financing arrangements would be included. Up to the beginning of the war it had not yet been needed.

Business Cycle Budgeting

The two years 1933-35 saw the peak of unemployment. During this period the government appropriated 702 million kronor for work projects, municipalities and private interests invested 130 millions, a total of 832 million kronor. This was 567.5 millions more than was invested in such projects from 1929 to 1931.

Total government expenditures grew from 1929-30 to 1934-35 by 42%. In the period from 1928 to 1932, a little over 1/20th of total expenditures was met by loans but in the last two years of this period one quarter came from borrowings. New loan expenditures for non-self-liquidating public works were 15% of the total Swedish budget in 1933 to 1934.

The Swedish government did not do this without making provision for repayment of the loans during the next boom period. For 1933 loans, the amortization period was four years, to be met by higher inheritance and gift taxes. Loans made in the following year were to be repaid in seven years.

The objective of amortizing these loans by 1937 was achieved, helped by favorable money market conditions—low interest rates and plenty of funds.

Results of New Policy

Whether the new policy was entirely responsible or not may be debated, but by the end of 1936 Swedish industry was at a 20-year peak. Nineteen thirty-seven was the best business year that modern Sweden has ever enjoyed. Average number of unemployed decreased from 164,000 in 1933 to 18,000 in 1937. Index of industrial employment, taking 1929 as 100, declined to 85 in 1933 and rose again to 106 in 1936. During this same period volume of industrial production rose 35% and national income gained from 7 billion kronor in 1932 to 9 billions in 1936.

Index of real wages, that is, money wages adjusted for changes in prices and cost of living, fluctuated during this period as follows:

Index of Real Wages

1929	100
1930	104
1932	99
1934	105
1936	106
1937	107

National Income
(Billion Kronor)

1925	7.3
1930	8.3
1932	7.0
1936	9.0
1942	12.0

The public debt rose from 1,805 million kronor in 1930 to 2,237 millions in 1937. Accompanying this was some rise in interest, but this was more than covered by income of the state from its productive enterprises.

Government Income & Expenditure
(Millions of Kronor)

	Income	Expend.	Surp. (+) or Deficit (—)
1933-34 ...	782.7	877.4	—94.7
1934-35 ...	902.9	1,022.2	—119.3
1935-36 ...	995.2	976.0	+19.2
1936-37 ...	1,149.8	979.4	+170.4
1937-38 ...	1,141.3	1,120.5	+20.8
1938-39 ...	1,227.6	1,208.5	+19.1
1939-40 ...	1,849.3	2,513.6	—924.4
1940-41 ...	2,036.6	3,414.0	—1,808.8
1941-42* ..	2,080.0	3,701.3	—1,621.0

* Figures for 1941-42 are estimates.

Out of this the Swedish people feel that they have learned certain lessons which are of particular value for any country planning for future requirements. These they summarize as follows:

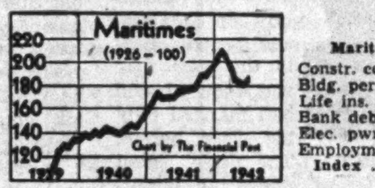
1. Co-operation is essential between banking policies and the state fiscal policy.
2. A large number of small public work projects is better than a few large projects.
3. A great number of such emergency projects should require a large proportion of raw materials.
4. Preparation is necessary beforehand to have plans ready, formalities cleared, land available and legalities complied with if delay is to be avoided.
5. Dependence of the Swedish economy on foreign developments put limits on the national business-cycle policy.
6. It is desirable to encourage participation of private enterprise in efforts to offset effect of economic fluctuations. One measure taken is to provide tax exemptions on reserve funds of companies used for plant expansion in depression years.

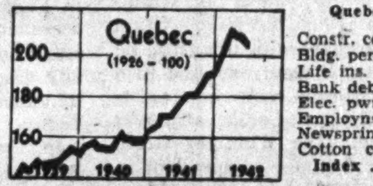
Maritimes and Prairies Lead Canada in June

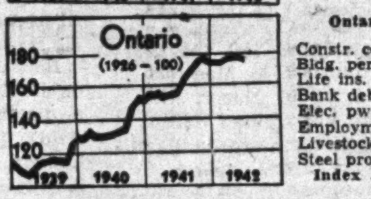
Maritimes and the Prairie Provinces were the only sections of Canada to report gains in business activity in June this year over the preceding month; Ontario, Quebec and British Columbia indicated some recession in activity.

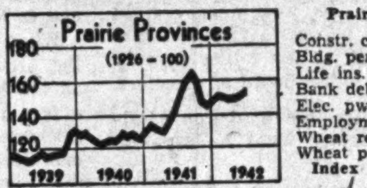
An advance was recorded in new business obtained by the construction industry in each of the five economic areas except British Columbia. Building permits were higher in Ontario and the Prairies. Ontario's index of electric power output shows no change but gains are recorded in the Prairies, Quebec and the Maritimes.

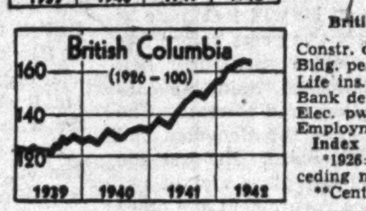
Employment made a further advance in the Maritimes, while bank debits were larger in Ontario and the Prairie Provinces. Insurance sales were lower in June after seasonal adjustment.











Trend of Business in Economic Areas

	June, 1942	% Change June, 1941	May, 1942
Maritimes:			
Constr. contr. ...... $	2,403,000	—8.7	1,172,000
Bldg. permits ...... $	225,000	—40.0	437,000
Life ins. sales .. $000	3,470	+41.5	3,245
Bank debits . $000,000	87.6	—8.4	91.7
Elec. pwr. . kw.h.000	2,592	+0.6	2,577
Employment*	166.1	+9.0	156.7
Index	187.8	+6.8	183.8
Quebec:			
Constr. contr. ...... $	19,408,000	—69.9	7,212,000
Bldg. permits ...... $	2,005,000	—24.5	2,326,000
Life ins. sales .. $000	10,426	+13.7	9,850
Bank debits . $000,000	976	—16.9	1,055
Elec. pwr. . kw.h.000	40,055	+29.2	39,390
Employment*	182.8	+16.2	177.9
Newsprint prod., tons	242,762	—11.3	251,831
Cotton consump., lb.	14,970,262	—5.9	17,064,741
Index	206.1	+16.0	209.3
Ontario:			
Constr. contr. ...... $	16,030,000	+10.5	9,473,000
Bldg. permits ...... $	5,855,000	+10.4	4,379,000
Life ins. sales .. $000	19,972	+31.2	19,580
Bank debits . $000,000	1,889	—7.7	1,887
Elec. pwr. . kw.h.000	31,263	+15.0	31,292
Employment*	178.5	+10.3	175.9
Livestock slaughter.*	202.0	+8.5	194.3
Steel production, tons	254,163	+21.2	272,247
Index	178.6	+12.5	179.6
Prairie Provinces:			
Constr. contr. ...... $	5,159,000	+89.2	2,707,000
Bldg. permits ...... $	1,311,000	—28.5	1,411,000
Life ins. sales .. $000	6,270	+37.3	7,083
Bank debits . $000,000	586	—9.8	536
Elec. pwr. . kw.h.000	5,595	+6.9	5,653
Employment*	137.4	+7.1	130.9
Wheat receipts .. bu.	11,040,000	—67.0	7,107,000
Wheat prices**	80	+3.9	79/2
Index	153.9	—3.9	150.8
British Columbia:			
Constr. contr. ...... $	3,756,000	+159.4	3,332,000
Bldg. permits ...... $	584,000	—59.8	698,000
Life ins. sales .. $000	3,219	+68.7	3,328
Bank debits . $000,000	229.3	—16.7	220.4
Elec. pwr. . kw.h.000	6,563	+5.4	6,811
Employment*	161.9	+20.0	158.8
Index	165.8	+11.2	166.5

*1926=100. Employment statistics apply to preceding month.
**Cents and eighths of a cent per bushel.

Will Distribute I.H.E.S. Assets

$600 Million Utility to Follow S.E.C. Order — Gatineau Unchanged

From Our Own Correspondent

MONTREAL.—A system will be worked out for distribution of assets among the security holders of International Hydro Electric System, according to Irwin L. Moore, president of the $600 million public utility chain which operates in five New England States, New York and Canada.

This announcement followed the issuing of an order by the United States Security & Exchange Commission which ordered the holding company dissolved on the grounds there was a lack of justification for existence of the system.

Main subsidiaries of the system are New England Power Association; Gatineau Power Co., operating in Quebec and New Brunswick, Hudson River Power Corp., and System Properties Inc. The latter two own undeveloped and partially developed water power properties in New York and New England and six hydro electric plants in New York.

"The problem presented by this order is one of how best to protect the interests of the holders of outstanding hydro securities," Mr. Moore said. "To this problem, management has already given considerable thought. It is expected that very soon a plan for complying with this order in a manner which will deal fairly and equitably with each class of security holder, and which will also avoid the losses that would result from open market sales of Hydro's portfolio, will be filed with the SEC for approval.

"While no final action has been reached, it is probable that the plan will provide for the distribution of the assets of Hydro in kind to its security holders as soon as such assets are in a suitable form for distribution. In order to put the assets in form for distribution, it is expected that simplification and consolidation will be required both for the New York and New England groups. Proceedings under the Holding Company Act initiated by the SEC are now pending before the Commission for the simplification of the New England group.

"No change in the corporate structure of the Canadian group is anticipated."

Weekly Bank Clearings

	July 23 1942 $	Change Year Ago %	July 16 1942 $
Halifax	4,109,740	+12.6	4,151,927
Saint John ..	2,447,935	+8.9	2,246,341
Moncton	1,220,516	+17.6	939,930
Sherbrooke .	1,072,048	+21.0	954,786
Quebec	5,708,747	+15.4	6,178,317
Montreal ...	129,576,427	+27.4	142,060,584
Ottawa	39,615,251	+28.9	47,665,161
Kingston ..	743,638	—8.4	807,517
Peterborough	833,840	+16.6	742,050
Toronto	158,489,764	+39.9	114,912,705
Hamilton ...	7,161,179	—5.7	7,246,938
St. Catharines	1,571,232	+28.6	1,282,607
Kitchener ..	1,281,316	—0.5	1,239,343
Brantford ...	+1,085,816	+3.6	996,387
London	2,707,038	+3.9	2,813,161
Chatham ...	553,928	—26.9	638,160
Windsor ...	6,482,544	+79.7	4,644,213
Sarnia	490,928	+2.9	479,452
Sudbury	1,022,504	+8.9	1,203,683
Fort William	990,900	—9.7	1,228,717
Winnipeg ...	41,079,645	—31.3	41,904,243
Brandon	509,207	+24.9	529,389
Regina	4,936,302	+0.09	5,810,431
Moose Jaw .	689,230	+13.6	722,121
Saskatoon ..	1,854,112	+27.4	1,687,765
Prince Albert	462,615	+11.5	494,918
Edmonton ..	6,352,073	+28.7	5,748,993
Calgary	6,425,350	—5.1	6,164,596
Lethbridge .	693,244	+34.5	748,113
Medicine Hat	378,121	—9.6	353,969
N. W'minster	916,849	+0.05	970,500
Vancouver .	27,014,560	+36.5	24,289,659
Victoria	2,360,885	+11.3	1,941,281

Quebec Power Boosts Income

Both Gross and Net Results for Past Half Year Ahead of 1941

From Our Own Correspondent

MONTREAL.—Quebec Power Co. and its subsidiary, Quebec Railway, Light & Power Co., reports further improvement in earning power.

For the first half of 1942 gross income totalled $2.9 millions. This was $402,845 greater than for the like period last year. A major share of the gain was absorbed in operating expenses and increased depreciation. After allowing for these charges net profit subject to income and excess profits tax amounted to $598,640. This contrasted with $546,550 for the first half of 1941.

Statement of Revenue and Expenses
Six Months Ended June 30

	1942	1941
Gross revenue	2,908,701	2,505,857
Less: Oper., taxes & other expenses	1,764,221	1,501,694
Net revenue	1,144,480	1,004,163
Less: Fixed charges ..	245,840	248,390
	898,640	755,773
Depreciation	300,000	209,223
Net prof. subject to inc. & profits taxes	598,640	546,550

Company Reports

Quebec Apartments

Quebec Apartments Ltd., of Quebec City, reports a moderate gain in income for the year ended April 30, 1942, with a further improvement in financial position. Gross income at $87,256 was slightly ahead of the previous year and after all charges, there was a surplus of $1,696, as against $783 in 1941.

During the year the company redeemed $10,350 of bonds. An additional $12,400 are held for sinking fund. Working capital increased by $12,090 and now amounts to $47,174.

Income and Surplus Account
Years Ended April 30

	1942 $	1941 $
Gross revenue	87,256	86,873
Add: Interest earned .	923	358
Less: Oper. expenses .	54,327	53,910
Directors' fees	240	220
Bond interest	13,253	13,793
Depreciation	18,291	18,291
Tax	372	234
Net profit	1,696	783
Previous surplus	783	......
Surplus forward	2,479	783

Hudson's Bay Co.

Trading profit of $4,587,000, before taxes, is reported by Hudson's Bay Co. for the year ended Jan. 31, 1942. This compares with $3,388,000 in the previous fiscal year. Taxes increased to $3,460,000 from $2,365,000 to largely offset the profit gain, final net profit being $446,000 as compared with $292,000 in the previous year.

Reflecting the company's strong liquid position is its intention to repay part of the 5% cumulative preference shares, reducing the denomination to £2 fully paid and involving a capital repayment of nearly $3 millions. Net assets amount to $30,850,000 against $30,540,000 last year.

The report notes that increasing difficulties in obtaining deliveries of supplies, both for retail and wholesale, have become a serious problem which cannot but adversely affect future results.

The company has declared a dividend on its ordinary shares of 3% from trading and 2% from land sales, payable Aug. 14, 1942, to shareholders of record July 22. A year ago, distribution was 1% from trading account and 1½% from land sales account.

Unsold lands in possession of the company on Jan. 31, 1942, amounted to 1,546,756 acres, 86,568 acres being sold during the year. The land department received increased oil royalties from six wells in Turner Valley.

Alcohol For Rubber Can Be Handled

Definite announcement as to how much alcohol Canada's distilling industry will be asked to produce for synthetic rubber are not yet forthcoming, but present indications are that it will not represent a large percentage of capacity. This week it was officially revealed that approximately 6,000 tons of Buna-S type rubber will be produced annually from butanol (butyl alcohol). This represents a change from first plans which envisaged total synthetic rubber production from a refinery gas base.

Production of alcohol from grain for synthetic rubber will mean some degree of changing over for the plants engaging in the programme as the process of fermentation is different from that used in present ethyl alcohol production. Cost of this change-over will depend on the flexibility of the producer's equipment.

Eventual annual output of Canada's synthetic rubber industry is estimated at 40,700 tons. First production from the $44 millions programme is scheduled to start in the latter half of 1943.

Deer Park Manor To Pay Interest

Holders of Deer Park Manor Ltd. 7% first mortgage bonds, due 1940, are advised that the company will pay Aug. 5 the 3½% coupon, No. 26, dated Dec. 1, 1939. This payment will require $4,721. A further $2,528 is being allocated for the purchase of additional first mortgage bonds for the company account.

Investment Notes

P. L. Robertson Manufacturing Co. has been granted supplementary letters patent by Ontario altering its capital structure. The 5,000 issued and unissued $100 par shares become 10,000 no par value cumulative preference and 100,000 no par value common. Of the new authorized capital 6,006 preference shares and 60,060 common shares are to be issued and 3,994 preference and 39,940 common to remain unissued. It is understood that a public distribution of a portion of the issued capital may be made at a later date. Public interest in this company, whose plant is at Milton, Ont., and which makes screws of various types, has been limited.

* * *

Twin City Rapid Transit Co. has declared a dividend of $3.50 per share on the 7% cumulative preferred stock, payable Aug. 21 to shareholders of record Aug. 7. This dividend is to apply against total accrued dividends of $52.50 per share as at July 1, 1942, and is to apply specifically to the year 1935. Arrears as at July 1, 1942, after giving effect to this payment amount to $49 per share.

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

WANTS TO ENLIST
NEEDS MORTGAGE

YOUNG married man who is buying income-producing, large home on sale agreement plan requires $6,000 mortgage so he may enlist. After extensive decorating improvements, has refused two realtors' offers of $8,000, not including $2,000 of furnishings and equipment. Will pay 6% interest each month and $100 annually off principal during war with $500 off principal starting one year after we win. Kelly, 2 Lonsdale.

Montreal Refunding Plan Up for Council Vote

From Our Own Correspondent

MONTREAL.—Plans have crystallized for a complete financial reorganization of the City of Montreal.

On August 4, the city council will consider a by-law, approved by the executive committee, and which makes provision for the outstanding bonds, control of the city's finances and employees.

Once the by-law is passed, it must be approved by the bondholders, then by the Quebec Municipal Commission and finally ratified by the Quebec Legislature.

Outstanding feature of the plan, which affects $265 millions in bonds, plus a floating debt of $48 millions, is the division of the control of the City of Montreal with an outsider to be named by the debenture committee, who will be chairman of a Bureau of the Budget. This Bureau will have control of finances, preparing the budget for the executive committee, with provision for its automatic adoption if the executive committee fails to act, and also with provision for automatic adoption if the city council fails to act.

There will be created a civil service commission, this also to be under control of the Bureau of the Budget. Control of employees is divided between the Bureau and the executive committee.

Particulars as to the financial plan follow:

As to the refunding, the city proposes to issue two categories of replacement bonds, one of $28.9 millions to retire part of the floating debt, and a second category of $209,363,518 to retire the outstanding debentures, except for two issues. One of these issues is of $496,000, bearing interest at the rate of 7% and perpetual. This will be paid off in cash at $120 per $100. Another issue, also perpetual, bearing interest at the rate of 3% will not be disturbed.

The issue of $28,990,000 will carry interest at 3½%, to be payable by annual installments from 1943 to 1952. These are the series A bonds, payable in Canada.

The series B bonds, totalling $209,363,518, will care for all outstanding city bonds except the two perpetual loans mentioned, and except for the bonds of the city and annexed municipalities which are in the sinking fund and which will be cancelled. Series B bonds will become due in 1977 unless previously redeemed, and will bear interest at 4% except that the holders of securities now bearing interest at 2½, 3 or 3½%, will receive series B bonds which will bear interest at the same rate, respectively, until the maturity of the present securities, and from then on at 4%.

Holders of securities now bearing interest at 4% will receive Series B bonds bearing interest at the same rate. Holders of securities which now bear interest at 4¼% 4½%, 5% 5½%, 6%, and 6.446%, and which have not matured on or before Oct. 31, 1942, will receive Series B bonds bearing interest at 4% and a premium in cash.

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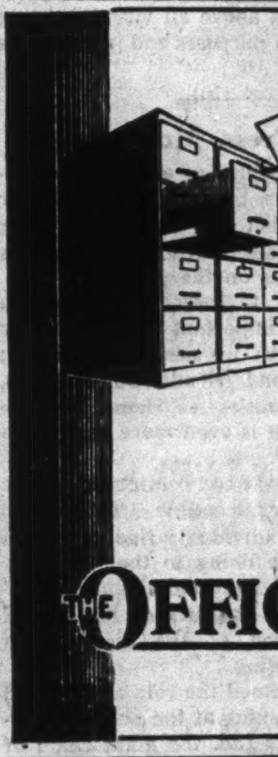

Speed Minus Control
Equals Zero!

Aesop's hare, though quite a speedy beastie, lost the marathon to his plodding, methodical rival just because he lay down on the job. The systematic tortoise just kept on going . . . he didn't lose control . . . didn't take a nap.

Working by hit and miss office methods when something has to be done is "sleeping on the job". A good filing system that produces what you want when you want it . . . records that keep you posted on vital business facts . . . these are essentials in keeping up the pace and winning out ahead of schedule . . .

We ask it confidentially, are you unconsciously napping on the job?

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Seagram
Gold Cup

A Great Canadian Tournament
THAT WILL HELP
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• This year, the Canadian Open Golf Championship has a significance far beyond its status as a major sport event. It will again present a spectacular struggle for the Open Championship and the Seagram Gold Cup; it will again foster international goodwill by bringing together famous golfers from Canada and the United States; but, in addition, the entire net proceeds of this year's tournament will be donated to the Canadian Red Cross Society. The House of Seagram is especially glad to be associated with the 1942 Open, which will be held at the Mississauga Golf & Country Club, Toronto, August 6th, 7th and 8th. And, as donor of the Seagram Gold Cup, the House of Seagram welcomes the golfers of both Canada and the United States to the fairways of international friendship.

House of Seagram

The Editorial Page . .

Six Months of Defrilling

The more government restricts business, the more it owes a responsibility to business. This is the basic principle avowed by the Wartime Prices & Trade Board's Division of Simplified Practice, which has now completed its sixth month of operation.

During those six months, this department has carried out a major job in simplifying and standardizing Canadian business processes. Some 150 orders have been passed to this end. Assisting the various administrators in formulation of those orders have been 169 advisory committees composed of 965 executives of the various trades concerned. As a series of articles in The Financial Post have reported, simplification and standardization have had a material influence in saving manpower, machine power and cutting operating costs so that price ceilings might be maintained and subsidies reduced.

Much of the success of this programme to date may be attributed to the fact there has been no bludgeoning involved. Administrative troubles have been minimized by keynoting co-operation, while the mainspring of the drive has really come from industry itself. The most aggressive industries are generally those in the lead looking for ways by which they can operate more efficiently. The main theme has been that it is much better for business to help itself through government machinery, rather than impose measures on business with little or no consultation with those mainly affected.

In taking many of the frills off our way of living, the Division of Simplified Practice has already performed a notable wartime service.

However, some of its most important work may be yet to come. With supplies of many types of goods becoming scarcer the question of equitable distribution is now becoming the major consideration. Concentration of civilian production in certain plants with the shutting down of others is something that has been anticipated ever since this programme started. The United States has decided to follow the British lead in this respect. Apparently the time for similar action in Canada may not be far away. Government assumes an enormous responsibility when it deliberately closes a privately-owned business enterprise, even if extraordinary wartime needs may justify such action. But such a programme must be carefully planned, executed by men in whom business can have the highest confidence.

One good effect of such drastic action by government would be that it would make very clear to a great many Canadians that such controls can be tolerated for wartime emergencies only; that with peace, the system of freemen and of democrats must be restored.

Irresponsible Propaganda

Here are a few samples of the completely irresponsible statements which are currently being circulated by the C.C.F. and for which they are seldom if ever challenged.

Dealing with Canada's revised Excess Profit Tax, C.C.F. publicists state that "excess profits tax does not come into operation until the company concerned has made profits equal to that made from 1936 to 1939."

Finance Minister Ilsley, however, says that "no corporation will be permitted to retain more than 70% of its pre-war standard profits." Had the C.C.F. been interested in accuracy it could have readily checked this statement by making a few simple calculations from information given in the latest budget address.

Another example. The C.C.F. spokesman states: "Profits of all Canadian companies were higher by 10% in 1941 than they were in 1939."

There is no known way in which "profits of ALL Canadian companies" can be known. Income tax authorities might be able to compute this information, but it is extremely doubtful if they have done so and if they had, strict regulations would prevent them releasing the information.

It is, however, a matter of public knowledge what companies issuing reports to the public earned. The Financial Post, with access to the most complete records on this available in Canada, finds that 146 companies earned 2.8% more in 1941 than they did in 1939, not 10% as the C.C.F. claims.

Similar inaccuracy and irresponsibility is indicated in the following C.C.F. claim:

"In addition to the fact that the old basic rate of profit remains, a new joker has been introduced. This joker is that 20% of all profits taken by this tax will be refunded to the companies concerned with interest added."

This statement repeats the incorrect assertion that companies are to be allowed to retain "profits equal to that made from 1936 to 1939" and adds some new ones. The 20% refund does not apply on "all profits taken by this tax," nor is a cent of interest to be paid on this refund.

It is quite obvious that the author of those mendacities is concerned above all with distorting the truth for propaganda purposes and ignoring the facts.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and manpower, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with postwar employment and relief problems.*

Work the Press Must Do

War imposes immense burdens and responsibilities on us all. This war, because it is total war and because the devotion and energy of every last man and woman is essential to victory, places magnified responsibilities on the press.

It is a human frailty to forget—until we are deprived of them—how important to us are many of the things with which we are very familiar; our daily food, homes and friends. Our freedom, privileges and opportunities as democrats are things whose importance is even more easily forgotten.

The press is the one great and continuing agency which makes democracy possible. Through it alone do the mass of individuals find out what their representatives are doing to them and for them. Through the press, the individual gets informed interpretation of the acts of his official representatives; definition of the direction in which those acts are leading.

Lord Kemsley well defined the role of the press in wartime. He was speaking at the annual meeting of Allied Newspapers Ltd. the giant chain of British publications which he heads:

> "Our guiding principle is wholehearted support of the great cause in which the United Nations are engaged. That means wholehearted support of our National Government.
>
> "But it does not mean that we have relinquished in the smallest particular, one of the oldest and most important functions of the Press—to offer criticism of any official measure or line of conduct when such criticism seems to be demanded by the facts of the situation and when it will serve a constructive purpose. Only when it satisfies both purposes does any criticism of the Government appear in your newspapers.
>
> "To adopt that attitude is, in my judgment, to interpret truly and patriotically the Freedom of the Press in wartime, or, indeed, at any time. That freedom implies both rights and obligations, as between the Press, the Government, and the community as a whole."

But Lord Kemsley cites a particular responsibility of the press in the particular political situation now existing in Britain; and the point he makes is equally valid in Canada.

> "In the peculiar circumstances created by war, when parliamentary opposition has largely disappeared, the Press has a very special responsibility for keeping the Government in close touch with what the public is thinking. At the same time, it must, with equal fidelity, make it its business to elucidate to the country the Government's aims and its reasons for them.
>
> "In brief, the Press owes a duty to the nation's leaders and to the nation. That duty is to ensure, as far as it is able, that each understands the motives and reactions of the other. In so far as newspapers fail in that duty, they render a serious and reprehensible disservice to the Realm."

Precisely. Some Canadians measure patriotism by the volume and the regularity of praise for Canada's administration; they term constructive and informed criticism sabotage of our war effort.

A publication which accepts such a policy defrauds its readers, abdicates its ideals and its responsibilities. Suppressing facts, beclouding issues, failing to point to the implications of policies —there is the sabotage, the unworthy conduct.

Farm Price Confusion

Expensive and wasteful confusion has resulted from the directly contrary policies of the Dominion Department of Agriculture and the Wartime Prices and Trade Board. The former favors higher prices for many lines of farm produce, the latter a rigid price ceiling on everything. Wheat is the latest commodity over which these conflicting interests have clashed.

This week the official minimum wheat price was raised 70 cents a bushel to 90, the increase to apply to the new crop now ripening. The gain will add 70 cents to the cost of processing a barrel of flour, half a cent to a loaf of bread. Up to the very last minute however, millers, bakers and consumers have been left in the dark as to how this extra cost will be absorbed.

To placate the W.P.T.B. and at the same time give the wheat grower a higher return, the government will probably absorb the price advance by new wheat subsidies. In theory this will prevent a puncturing of the general price ceiling. But this is mere camouflage. For all practical purposes the cost of bread will be increased and hence the cost of living, because eventually the burden of the extra subsidy must fall on the shoulders of the hard pressed taxpayer.

We might as well admit the fact that farm prices, as represented by wheat, beef and practically all lines of dairy products, have risen substantially since the war started. In many, perhaps all cases, these increases may have been justified. But why should we try to fool ourselves by covering the rise in domestic subsidies? Would it not be better to pass these advances directly along to the consumer, so that he will know exactly what they will cost and what lines are affected?

Editorials in Brief

British Columbia is continuing the fine financial record it has established in recent years. Since 1933, under the guidance of John Hart, Minister of Finance and now Premier, B. C.'s affairs have improved steadily, with the past month having seen completion of two important negotiations. These were refunding of the $20 millions P. G. E. maturity and repayment in full of the $4 millions bank loan, the latter freeing the province of bank debt for the first time in 26 years. Of most direct interest to the people of B. C. is the fact that there will be a saving in interest charges of over half a million annually on these two items alone. During the year ended Mar. 31, 1942, British Columbia reduced its gross debt $26.6 millions to $165.5 millions. Since that date, a further reduction of $7.8 millions has been made, furthering the improvement in the province's financial position.

• • •

A proposal before Toronto's city council would permit taxpayers to prepay their taxes years in advance by depositing money with the city to be placed in a non-interest bearing trust account and to have future years' taxes charged against it. Such a scheme may help wealthy taxpayers but it does seem that those inclined to take advantage of it would be doing their public duty in a much more laudable manner if they loaned this money to the government. They would thus help to finance our war effort and at the same time the money would be kept available for some future date when municipal tax payments or any other need made its use desirable.

Other People's Views . . . .

The Canadian Editorial of the Week

A Soldier Writes a Letter

The Vancouver Sun

A letter just received from a Canadian soldier in England is, we think, an important document and a true commentary on at least a part of the Canadian people. "There is nothing coming out in Canada, no voice is raised," says the writer, "to strike the hearts and minds of men and women with the grave, flaming purposes behind this war. There would be no need for any kind of coercion in our land if men and women of imagination and spirit had been allowed to express themselves. Our public information is tragically mechanical and unimaginative. Our recruiting has been for the most part in the hands of men who wear uniforms, with no desire of crossing the sea themselves."

This Canadian soldier believes that "if Canada had a heart behind its war effort it would have a voice; and to me, in these days and nights when our planes are sailing across the Channel in long silver streaks and coming back to England with depleted numbers, the voice of Canada sounds like a thin, querulous shrilling that wouldn't carry across a fair-sized outhouse. I am in the field with Canadian men who feel this thing and whose hearts are pretty sore about the cold-fish imperturbability of the lords and masters back home. We don't want conscripts in our units. We want men; men who feel this thing because it has been put up to them bluntly as men to men."

And he asks: "Who in Canada today feels and puts across the glory of bleeding feet and aching backs, of bleak willpower making men laugh as they trudge at daybreak on the cruelly hard roads of England, after two years of endless training, training, training for the lift of the battle which never comes? Who remembers that our army has the toughest and most heart-breaking job any army ever had—years of waiting to get on with it, while cheap politicians back home grab plums for themselves and their sons and nephews?"

Until the Canadian people understand these things, says this soldier, and the "dignity and beauty of a dirty, disagreeable inglorious job well done," we shall not have the kind of war effort, the kind of flaming Canadian crusade that the soldiers want to feel at their backs as they face the enemy.

It is not much comfort to tell such brave fellows that Canada is doing a pretty good job in the war, as proved by statistics. Not much of an answer to say that unhappily we have not discovered in Canada the voice which, like Mr. Roosevelt's or Mr. Churchill's, can bring the meaning of the war home to the hearts as well as to the minds of Canadians. Apparently it does no good to remind the government of the tragic mess it has made of public information and propaganda, in the best sense, by repressing the men who were competent to create and distribute it.

But we think it fair to say that Canada's feeling about the war is better than the voices which express it, and that the soldiers will find the people at home ready to do anything, sacrifice anything necessary to support them. And perhaps the inspired voice, which the soldiers long to hear, will yet be discovered.

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Stop Me If . . .

These days of "price ceilings" are causing some unanticipated complications. A housewife returned a purchase to a department store with the protest that it wasn't at all what she had specified. "I ordered a floor mop," she explained, "and this mop has 'ceiling' stamped right on the ticket?"

• • •

A man hauling coal presented this itemized account:

"Three comes and three goes at four bits a went—$3.00."

As Others See Us

Time to Wake Up

An editorial from The Simcoe News
Reprinted in The Globe and Mail,
Toronto

The Simcoe News endorses the following platform to provide an All-out War Effort. The recent change in the war situation makes these changes in Canada more imperative. The time for dilly-dallying is past.

1. Effective mobilization of all resources, materials, productive capacity and manpower, without reservation, for an all-out war effort.
2. A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.
3. An inner war cabinet, free from departmental duties, to plan the nation's war effort and see that the plans are carried out.
4. A non-political industrial executive to organize and direct procurement of war supply.
5. Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.
6. Elimination of wasteful spending by public bodies or private individuals.
7. A national programme to deal with postwar employment and relief problems.

Editor's Note.—The Financial Post indeed endorses that platform. Readers will please note the panel in italics which for many months has appeared at the top of this page under the heading, The Financial Post's Platform for War. We are glad The Simcoe News has seen fit to adopt our platform as its own; glad, too, to know that the Globe and Mail also finds it worthy of endorsation.

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War News

St. Catharines Standard

The Financial Post hits the nail right on the head in an editorial on news accuracy, which means that war news should be accurate, whether it is bad or good. There surely is a great responsibility on authority to see that the public is told, and not led up the lane of complacency or into a mood of false security.

There is every reason to believe that British, Canadians and Americans can take their reverses in stride, and they should be told at the earliest and most judicial time when there are grave setbacks. In this way the whole race will put its back to the wall and fight on to the final knock-out. To always be told to feel comfortable about the progress of the war is not good at all.

• • •

Room For Argument

Creemore (Ont.) Star

The Financial Post observes that many people seem to think an editor "knows everything," but the Stouffville Tribune qualifies the statement by remarking that on frequent occasions that editor has been told that they know nothing. Well, all we can add is here is a case with room for argument.

• • •

What the Papers Are Saying

Complacent Mr. Gardiner

Vancouver Sun

Day after day members of the Canadian Parliament from farming districts have been rising in alarm to say that their farmers cannot get enough help to maintain production. From nearly all parts of the country comes the warning that it will be difficult to harvest the autumn crop. Yet we find Mr. Gardiner, the Minister of Agriculture replying, rather truculently, that everything is all right since production is increasing rapidly.

Of course production is increasing, but that is not the test of our farm policy. The real question is whether we are producing as much as we could produce of the things required by our friends. Mr. Gardiner answers the question in part by saying there is a market for everything we can produce in certain lines like hogs, milk, cheese, beef. And assuredly we could produce more of them if the labor were available.

Mr. Gardiner is probably right in saying that we could not have achieved our present high munitions output if we had not taken men off farms to work in factories, yet the fact remains that many of our farms were stripped of labor months ago and many of our farmers are now in despair. To find farm labor is one of the chief war problems of this country and Mr. Gardiner's rather complacent attitude does not suggest an early solution of it.

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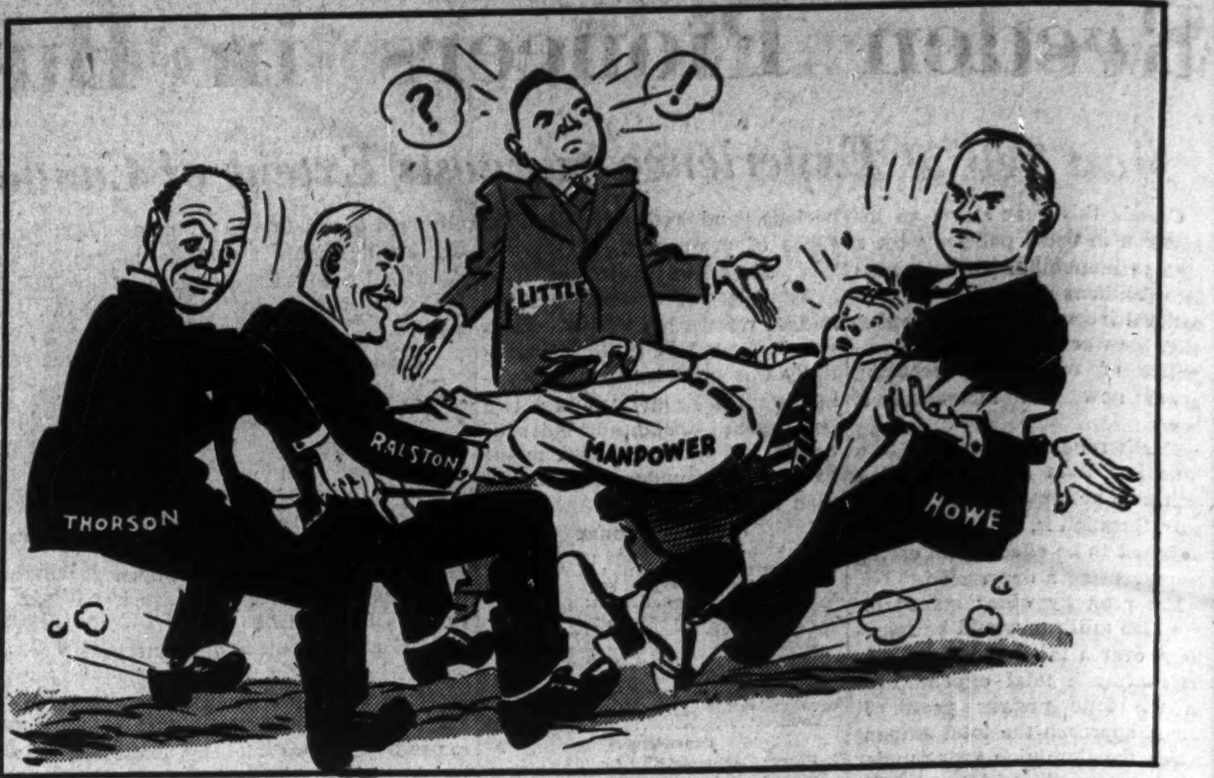
Establish Short Wave

Winnipeg Free Press

It would have been a good investment if Canada had established a short-wave broadcasting system before the war, when it was twice recommended by radio committees of the House of Commons. It is much more necessary now.

Almost every other country has a short-wave broadcasting system. Canada is the exception, and this is not a desirable or profitable distinction, for we are severely handicapped in telling the world the facts about our war effort, its different phases and the way in which all our resources are being devoted to the great cause. Canada's voice could also be heard by the other members of the United Nations, assuring them of our determination to put our full strength into the fight and to stay with it to the finish.

This country has been unwisely putting its light under a bushel, and the result outside has been both lack of information and great misunderstanding with respect to what Canada is doing. That could be prevented by the use of short wave for legitimate propaganda purposes. And we would be brought more directly into the circle of the nations pledged to remove the menace to all freedom.



Cartoon by Grassick.

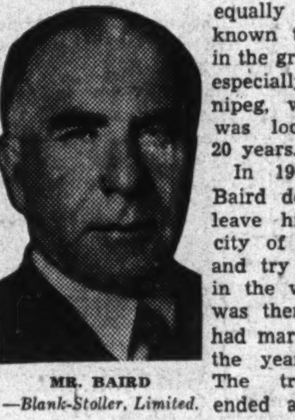
BETTER GET A REALISTIC MANPOWER POLICY RIGHT AWAY!

Post-Scripts . . . .

Steel Man

Slow-spoken Hugh Northcote Baird, new chairman and chief executive officer of National Steel Car Corp., brings to his office the confidence of all those he works and has business dealings with.

Endowed with more than the average share of tact and diplomacy, he is known to transportation men across Canada. He is equally well-known to people in the grain trade, especially in Winnipeg, where he was located for 20 years.



MR. BAIRD
—Blank-Stoller, Limited.

In 1904 Hugh Baird decided to leave his native city of Montreal and try his luck in the west. He was then 27 and had married only the year before. The trip west ended at Winnipeg. There he joined the Norris Grain Co. After nine years with this firm, he branched out for himself, and the firm of Baird & Botterell came into existence. His ability as a grain man was soon recognized. The Winnipeg Grain Exchange elected him vice-president in 1907-1908 and president in 1908-1909.

In 1913, Hugh Baird left the grain business and returned to Montreal to work with R. J. "Bob" Magor, who, a few years before, had secured control of the National Steel Car Corp. in Hamilton.

From then on he was Magor's right hand man. He became a vice-president in 1928. In July of the following year he was elected to the board of directors.

Hugh Baird has the reputation of always doing exactly what he says he will do.

In his new post, he will feel quite at home. For nearly two years before war broke out, Mr. Magor spent over half of his time in England, lining up contracts for munitions and aircraft. The job of looking after the Canadian end was left with Mr. Baird. His was the task of carrying out plans and of negotiating with the government and other authorities. With this background of experience, Hugh Baird is well-equipped to carry on in the direction of National Steel Car's policies.

Aircraft Builder

When a giant Catalina flying boat slid down the ramp at Vancouver airport this week to be christened, the event marked an important milestone in British Columbia's industrial history and another chapter in the life of Stanley Burke, president of Boeing Aircraft of Canada.

For Mr. Burke, one of the most reticent of British Columbia's top-flight executives, the "launching" ended months of difficulty and disappointment. The programme at Boeing, for reasons beyond his control or that of any other single individual, had been repeatedly delayed by bottlenecks.

At last the big planes are rolling at the Sea Island plant, which will soon be producing on an assembly line basis.

More by accident than anything else did Stanley Burke get into the aircraft manufacturing business, although his interest in flying goes back to his early years. Born in Cartwright, Man., in 1889, he went west as a youth and received his education at the University of Washington.

In 1909 he started his business career in Vancouver with Pemberton & Sons, a branch of a pioneer financial and real estate house founded at Victoria. Eventually a separate corporation was formed in Vancouver with Mr. Burke as president.

In the early 30's he transferred to B.C. Packers, Ltd., which he headed until its reorganization by H. R. MacMillan. He is still a director.

He is a member of the advisory board of the London & Western Trust Co. and a director of Home Oil Co., Buckerfield's, Ltd., Neon Products of Western Canada, Gordon & Belyea, wholesale hardware and ship outfitters, and Duncan & Nanaimo Utilities.

When he became president of Boeing, the organization had a modest factory on the Vancouver waterfront, employed a few hundred men, and was as much interested in making small boats as in manufacturing aircraft. Shortly before the war, it obtained contracts from the British Government for the production of Blackburn Shark planes. When Canada organized its aircraft programme, Mr. Burke was often called east to confer with production chiefs.

From that time on Boeing Aircraft of Canada, subsidiary of the Seattle organization famous for its Flying Fortresses, has played a growing part in the Canadian industry.

It soon was realized that the city site did not present the opportunity for expansion required by Boeing, and the Sea Island project was undertaken in the summer of 1940.

Boeing now employs 4,500 in the Greater Vancouver area and it is expected that 7,000 will soon be on the payroll. Mr. Burke dislikes the spotlight, is not much of a hand at giving interviews. He prefers to let the achievements of his company do the talking. It looks as though Boeing Aircraft of Canada will have plenty to say.

• • •

Woman Work Chief

No woman in Canada has a more important job than Mrs. Rex Eaton. Assistant director of national selective service, she is responsible for getting tens of thousands of extra women into industry.

Scores of war plants look hopefully to Mrs. Eaton, a brisk, energetic matron with bobbed hair, who likes tailored suits better than frilly frocks, prefers common sense to high flown theories, is equally at home with a duchess or a charwoman.

She breezed into crowded Ottawa from the Pacific coast in May. She made the trip to the capital to give Elliott M. Little, director of national selective service, her views on how the women's side of the manpower question should be handled. Such was the impression she made that she was asked to hang up her hat and stay for the duration.

While she was hanging up her hat, she announced that Canada must have day nurseries.

Married women with children, she explained, formed a big proportion of the women of working age. They'd be glad to work in factories, great numbers of them, but no provision had been made for the care of their youngsters. Sure, hundreds and hundreds were already working. But what was happening to their kiddies?

Mrs. Eaton wasn't theorizing when she spoke of what was good for children. She has a married daughter and two sons, the youngest 11.

Mr. Little listened, gave her the go-ahead signal. In record time she had talked Ontario and Quebec into participating in a major day nursery scheme. Mrs. Eaton is working night and day now, seeing it gets into operation without delay.

She is also doing something about housing accommodation for girls who come from the Maritimes and the Prairies to work in Ontario and Quebec. Again, she's trying to improve conditions for women in industry—to make sure they get rest periods during the day, medical attention, and so forth.

She is carefully watching an experiment a couple of plants are trying with a shopping service for employees. These plants have shoppers with whom women employees can place their orders, so they'll be relieved of the burden of shopping. Time off for shopping now causes a good deal of absenteeism.

Diet is also within the scope of her interests. She knows women can't stand the strain of industrial employment unless they eat proper food.

Born in Springhill, N.S., Mrs. Eaton graduated from Acadia University, married an Acadia graduate, and went to live in Vancouver, on the other side of Canada, where she combined homemaking with work for the underprivileged. During the depression she organized the Community Self Help Association in Vancouver—this in the conviction that most people would rather help themselves than get handouts. The association gave many unemployed an opportunity to work out their own rehabilitation.

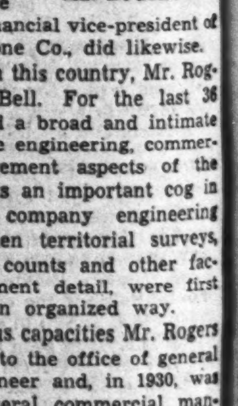
She is chairman of the B.C. Dominion-Provincial Youth Training Committee, for seven years has been the only woman member of the B.C. Board of Industrial Relations, has made several surveys of labor conditions among women's employment groups.

Those who know her best admit her task won't be easy, bet dollars to doughnuts she'll make a success of it.

• • •

Telephone Man

George H. Rogers, newly appointed secretary of the Bell Telephone Co. of Canada, joins the growing list of company executives who received their early training with the telephone department of the British post office.



MR. ROGERS

Early in life English-born Mr. Rogers joined the National Telephone Co., later to be absorbed by the B.P.O. That was in 1896. He stayed with the company until 1906 when he decided to emigrate to Canada. About the same time Fred Johnson, financial vice-president of the Bell Telephone Co., did likewise.

Upon arrival in this country, Mr. Rogers joined the Bell. For the last 36 years he has had a broad and intimate experience in the engineering, commercial and management aspects of the business. He was an important cog in the wheel of company engineering around 1910 when territorial surveys, including house counts and other factors of development detail, were first undertaken in an organized way.

Through various capacities Mr. Rogers worked his way to the office of general commercial engineer and, in 1930, was named first general commercial manager of the newly-established western area. While remaining at this post, he was prominent in the Toronto branch of the Engineering Institute of Canada and as a member of the Engineers' Club. He also was active in Toronto Board of Trade circles and the Canadian Club, which he served as first vice-president in 1936-37.

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Restaurant Owners Feel Price Squeeze

Must Sell at Fixed Prices but Buy Large Proportion of Foods at Free Prices

By **ARTHUR D. ELLWOOD**

The root of the restaurant problem lies in the fact that restaurants have to sell meals at fixed ceiling prices, but a very large proportion of the goods which they buy are either not under price control or price control has proved ineffective.

This is particularly true of fresh fruits and vegetables, fresh fish and meats. Other factors, particularly securing and retaining adequate help, add to the problem.

Restaurant owners to whom The Financial Post talked feel that there will be many casualties in their business before long unless something is done to help.

One operator of a large restaurant gives The Post a list of items and price increases as shown by his books since last December. The list follows:

Price Increases Since December

	%
Potatoes	121
Carrots	121
Soup bones	50
Beef	10-30
Eggs	10
Butter	9

He states that in some cases, such as potatoes and carrots, the rise is largely a seasonal matter. Potatoes will become cheaper within a short time but much damage has already been done and the seasonal factors will operate once more next year.

Food Costs 54% of Sales

A normally efficient restaurant tries to keep its food costs down around 40 to 42% of its sales dollar. One restaurateur told The Financial Post that food costs are now taking 54% of its sales dollar. Another mentions a figure of 47 to 50%.

Restaurant owners found that the meat they have to buy nowadays is "green," has not been properly matured. This means a greater shrinkage in cooking and added costs even above the higher price which restaurant keepers must pay. They recognize that meats are under price control but point to the fact that price rises of six and seven cents a pound have been quite common and when they draw this to the attention of the Wartime Prices and Trade Board, they are told this price rise is justified. But when they endeavor to get permission to raise their own selling prices, they are told that the mere fact that costs have increased is not sufficient reason for granting authority to raise prices. They say they are told that the Board is investigating their situation and has hopes that something will be done to help them out.

Unprofitable Items

One suggestion made is that they should have the right to cut off certain unprofitable items. Others suggest that, where they have been selling such items as coffee at five or six cents a cup while others were selling at 10 cents, a standard price should be set as is already the case with milk.

Some restaurant owners would like to have regulations changed so that they would show the Board exactly what their costs were and then be permitted to add a fair percentage of mark-up.

Great difficulties are being met in securing help. It is admitted that the pay for waitresses and kitchen help is not high compared with many other jobs. The result is that higher pay offered by war industries is attracting many girls.

Help Less Efficient

Result is a continual and rapid turnover in help, slower service to customers and decreased efficiency. All of these items add to costs. One owner who has had to replace men in certain heavy jobs in his kitchens with women, finds that on the average it takes two women to do the work which one man would do ordinarily.

It is pointed out that, while wages are fixed, what has actually happened is that under price and wage control the maximum and minimum wages have become the same and that all help is getting top pay.

Taxes and Scarcities

Other items of restaurant costs are also going up. Recently a 25% tax was placed on silverware, an item which restaurant owners use in large quantities. Dishes are getting increasingly difficult to obtain. Canadian potteries are very busy on government orders and find it difficult to attend to their ordinary business. Costs of imported dishes have gone up substantially and deliveries are uncertain. Table linen is higher in cost and is increasingly difficult to obtain.

One restaurant manager estimated to The Financial Post that there has been perhaps a 10 to 12% increase in the cost of the incidental items such as supplies.

Menu Changes

Substantial changes have had to be made in menus in spite of the best efforts of restaurant owners. Many items are now difficult or impossible to obtain, others have gone up in price so that they cannot be secured at ceiling prices.

An example of the latter may be blueberries. Many restaurants featured this dish in season at 10 cents, but this year the price is high enough to justify 15 cents. They cannot increase their prices so blueberries are not appearing on many restaurant menus to date.

Bananas are expensive and hard to get. Canned salmon is hard to get and remaining supplies are extremely limited. Imported sardines, tuna fish and other specialties are either impossible or difficult to obtain. Lobster, probably never an important item on the average restaurant menu, is still so expensive as to make its use almost out of the question.

Restaurant owners tell The Post that they have had little real trouble through the rationing regulations. At first there was a little difficulty with the sugar but most people have come to understand what has to be done.

Determining Ceiling Prices

Determining legal ceiling prices on food items is proving a difficult problem, as evidenced by the results of certain court cases recently brought under Price Control Legislation.

A restaurant, for example, may feature pork sausages on one day at a certain price. Perhaps business is not very good that day and they have some left over. The result is that they put on a special the next day at perhaps 10 cents less, but a certain number of customers feel that they should always get their sausages at the lower price. If a restaurant has in the past featured a special lunch utilizing left-overs and such items at perhaps 35 cents, it cannot eliminate this even if it is losing money on it.

Smaller restaurants have adopted the policy of keeping their menus as a check on ceiling prices. Large units have more elaborate accounting systems and experience comparatively little difficulty.

Admittedly, not all restaurant owners are doing all they might do to comply with regulations. There are a number of shortcuts which can avoid the real impact of price control although reputable units are taking all possible measures to avoid their use. A restaurant which may have served poached eggs, coffee and toast at a 30 cent price formerly, might now add a few French fried potatoes as a means of justifying a 35 or 40 cent price.

Sales Volume Better

An important offsetting factor has been a fairly steady rise in sales volume for most restaurants at least until quite recently, when some owners report a tendency for sales volume to go down more than seasonally. In centres where tourist business is important, they attribute this less than seasonal rise to lack of tourists, particularly from the United States. Some owners in downtown sections of cities report that there seems to be less night work going on which means reduced volume for evening meals. These downtown restaurants are subject to extreme peaks doing most of their business within two or three hours in the middle of the day.

Restaurant owners in Canada, at least those not in centres particularly stimulated by war business, report their experience has hardly duplicated that in the United States, where booming sales are reported by the National Restaurant Association.

Canadian restaurant owners also question the reliability of figures released by this U. S. association showing Canadian restaurant sales up 15% in June. Even that increase is much less than the 22% reported for all United States restaurant areas, largest increase in any of the last 38 months.

The Week in Business

From all sections of the country comes evidence that, as the stage of full employment is approached, there is a tendency for economic activity to even out. This becomes most evident in the major industrial areas of Quebec, Ontario and British Columbia, with business activity still rising in the Maritimes and Prairies.

Dominion revenues and expenditures in June this year show total expenditures higher and total revenues lower than in May. Compared with a year ago there is a rise of $30 millions in revenues and of $333 millions in expenditures.

Department store sales index for June at 133.5 is down 6.6 points from May and about 10 points above June of last year. The June index is lowest this year.

Iron and steel industry continues to forge ahead. Pig iron output in June was up about 45,000 tons and for the first half of this year a gain of 274,000 tons is shown, or 39.0%. Steel ingots and castings are about 45,000 tons higher for June and 273,000 tons, or 21.2% for the half year.

Sea fisheries for May show a decline of 86,000 cwts. in landed weight of catch but a gain of $654,000 in value. For the first five months of this year the catch is 600,000 cwts. or 22.0% higher, and value is up $1.5 million, or 30.1%.

Electric power output continues to rise to record levels. For the first six months this year a gain of 18.2% has been shown. This is an excellent indicator of general economic activity trend.

Cigarette consumption in June was again higher than the same month a year ago. For the first half of 1942 a gain of 21.7% has been reported. These figures do not reflect effect of the new taxes.

LATEST FIGURES AND INDICES

New items this week marked ■

	June	May	Apr.	Mar.	Year Ago
The Financial Post business index	*165.0	168.5	168.0	168.2	162.0
■Dom. war expend. (million $) ...	138.3	204.9	142.2	....	64.6
■Dom. total revenue (do.) ...	115.4	333.9	170.8	....	85.3
■Dom. total expend. (do.) ...	423.6	386.2	247.5	....	89.9
Retail sales index no.	....	149.1	155.7	161.4	134.5
■Dept. store sales index no.	133.5	140.1	148.8	156.9	123.1
Wholesale sales index no.	....	158.6	154.5	155.4	148.6
Country store (% change pr. yr.)	....	+11.7	+14.0	+13.8	+8.8
Divd. payment index♠	121.8	120.9	121.0	121.1	119.6
Bank deposits (1926=100)	160.1	167.6	169.8	163.4	157.4
RAILWAY FREIGHT LOADINGS—					
Tons	188.9	183.0	189.3	177.4	174.9
Cars	141.4	142.3	140.3	136.2	133.9
COST OF LIVING—					
D.B.S. index	116.7	116.1	115.9	115.9	110.5
EMPLOYMENT INDEX Nos, D.B.S.—					
All industries	....	167.4	165.2	165.1	145.5
Manufacturing	....	202.3	199.4	195.7	162.3
Payroll (June 1/41=100) (b)	....	124.0	121.6	119.4	....
Payroll index (a) (1937=100)	....	196	187	191	171
			Jan. 1 to date		%
RAILWAYS—	1942	1941	1942	1941	Change
■Carloadings (week July 18)	64,989	62,867	1,831,345	1,676,656	+9.2
■C.N.R. gross (week July 21) $	7,487,000	5,845,000	191,722,000	158,521,000	+20.3
■C.P.R. gross (week July 21) $	5,002,000	4,430,000	135,700,000	112,472,000	+20.6
C.N.R. net revenue (May) $	7,769,691	7,788,841	30,072,950	25,279,769	+18.9
C.P.R. net revenue (May) $	4,233,560	4,181,819	17,773,718	15,851,390	+12.1
IRON AND STEEL—(June)—					
■Pig iron production (tons)	167,961	125,790	974,000	700,617	+39.0
■Steel ingots and castings prod. .... (tons)	254,163	209,622	1,559,238	1,286,246	+21.2
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (May)	849	10,158	13,570	49,984	—72.9
Trucks and Buses:					
Domestic sales* .. (May)	811	4,331	11,271	17,216	—34.5
Financing:					
■Used .... (June) $	1,920,568	6,047,421	9,716,035	29,227,587	—66.8
■New .... (June) $	367,163	3,751,141	5,212,646	22,673,149	—77.0
CONSTRUCTION—					
Contracts awarded . (June) $	46,756,200	85,747,500	134,947,200	215,466,600	—37.4
Cement prod., bbls. (Apr.)	619,907	566,681	1,602,615	1,531,733	+4.6
AGRICULTURE—					
Flour prod., bbls. .. (May)	1,481,449	2,121,397	8,390,031	7,898,523	+6.2
Flour exp. bbls. ... (June)	653,520	1,750,924	5,409,447	5,462,140	—0.9
Cattle sales▲ ...... (June)	92,559	82,866	524,829	476,488	+10.1
Hog sales▲ .... (June)	425,530	383,747	3,147,709	2,893,982	+8.7
SEA FISHERIES—‡					
■Catch, cwts .... (May)	892,300	978,800	3,282,140	2,688,600	+22.0
■Landed value ...... (May) $	2,698,846	2,044,600	6,286,146	4,830,600	+30.1
NEWSPRINT—					
Production, tons ... (June)	242,762	273,687	1,658,174	1,621,134	+2.3
Exports .... (May) $	11,868,000	12,572,000	62,153,000	56,489,000	+10.0
MINING AND OILS—					
Coal prod., tons ... (May)	1,299,694	1,222,976	8,048,930	7,282,138	+10.5
Coal import, tons ... (May)	2,267,879	1,309,690	7,055,478	3,567,819	+97.7
Gold rec., fine oz. . (June)	398,695	405,631	2,370,188	2,539,879	—6.6
Crude oil, imp. gals.† (Apr.)	126,338	79,922	375,088	261,046	+43.7
ELECTRIC POWER OUTPUT—(June)					
■Total monthly, 1,000 kw.h.'s	3,043,200	2,560,060	18,612,384	15,732,385	+18.3
FOREIGN TRADE—♦					
Imports .... (Apr.)	$141,946,063	106,268,419	548,514,620	402,264,731	+36.3
Exports .... (Apr.)	169,997,596	118,393,094	667,451,667	410,828,290	+62.5
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (May)	172,854	152,756	701,305	782,052	—10.3
Shoes, prod., pr. ... (May)	2,816,432	2,843,157	13,602,147	12,175,597	+11.7
Cotton consump., lb. (June)	14,970,262	15,915,739	99,626,902	98,620,215	+1.0
Raw rubber imp. lb. (Apr.)	17,023,133	5,669,217	38,523,612	36,901,434	+4.4
■Cigarette cons., No.† (June)	787,409	665,120	4,635,621	3,808,681	+21.7
Sugar manufactured .. lb.§	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
Bank debits† ...... (June) $	3,767,042	4,240,630	21,591,707	18,810,099	+14.7
■Bond sales† ...... (June) $	283,602	886,967	2,002,923	1,573,615	+27.2
Life insurance sales (June) $	43,898,000	33,670,000	238,780,000	198,766,000	+20.2

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
♠Supplied by Nesbitt, Thomson & Co. *Preliminary.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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WHO ARE THE CANADIAN COMMERCIAL TRAVELLERS?

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Will Bank Lendings Bring Inflation?

See Government Bank Borrowings Overrated as Wartime Inflation Factor

By W. BRUCE McKINNON

In all Canada's battling against wartime inflation, emphasis has been laid on the perils of borrowing from the banks. It has been assumed that borrowing from public savings is not inflationary, but that borrowing from the banks is. Two weeks ago, The Financial Post told the story of U. S. inflationary fears, in which the predominance of bank financing has been a major source of worry.

But is it true? Are there real grounds for fearing the inflationary effects of a bank loan to the government more than those of a Victory Loan or a War Savings drive?

The conclusion of the following article is that the inflationary effect of bank borrowing by governments have been greatly exaggerated, that bank loans are not vitally different from other borrowings, that the question of inflation or its prevention is only secondarily one of financing methods.

Add to Reserves

Basic reason for government fears of bank borrowing rest on the fact that government securities in the hands of the banks are reserve funds. Where the banks have the right to issue notes, government bonds can be used as backing to expand the issue. They can be used as the foundation for enlarged commercial loans and deposits.

But under wartime conditions, such an expansion of either currency or credit is virtually impossible. Only those firms which are engaged in war production are likely to need funds for current expenditures or capital expansion. The possibility of uncontrolled expansion is out of the question with priorities in effect. The expansion of bank credit to aid the farmer is limited by the size of the crop, and is normally only a temporary, seasonal expansion at best, while loans to consumers or installment finance companies are hedged by the restrictions on credit buying.

Sterilized Lending Power

Since Sept., 1939, chartered bank holdings of Dominion notes, short and long securities, Bank of Canada deposits and gold have increased some 30%. Dammed back by wartime commercial limitations, loans to other borrowers have only increased about 6¼%. In terms of dollars, the increase of $440 millions in the "reserve" class of asset has only brought a jump of $100 millions in the public loans. Something over $3 out of every $4 of increase in reserves has been sterilized.

Deposits of the public show a greater increase, from $2.5 to $2.8 billions, but the increase of $300 millions is still substantially below the jump in reserves, and on a percentage basis is only 12%, against the hoist of 30% in reserves. The issue of chartered bank notes has dropped from $95 to $74 millions in accordance with the government restrictions.

It is fairly clear that under present conditions Canada's banking structure cannot become a major inflationary agent.

Yet, since the outbreak of war the Dominion has borrowed a total of $3.9 billions, about $1.5 billion of which has been used to meet maturities. The net borrowings for the period have thus been about $2.4 billions. With chartered banks holding about $440 millions more government securities, there are some $2 billions more government securities in the hands of the public. A total of $430 millions of this $2 billions is accounted for by the increased holdings of the Bank of Canada.

That leaves a net of $1.6 billion of Dominion securities absorbed by the public, roughly four times the amount taken by the chartered banks.

Inflationary Loans

Are these $1.6 billion of war loans, war savings certificates and interest-free bonds "inflationary?"

The answer depends entirely on what is done with them. If they stay in the safety-deposit boxes, they cannot be used to buy goods, cannot become an inflationary force. But in this they differ little from the $440 millions increase in bank holdings of government securities.

So long as government securities cannot be or are not being used to buy merchandise, no inflationary results can follow. But once the stops are removed, all the additional bonds outstanding become a potential inflating force. It matters very little who is holding them at the moment.

Fact is that a government bond is just as inflationary a factor—in itself—as printed money. The only difference between a dollar bill and a bond is that one is a government promise to pay on demand, the other a government promise to pay at a set date, carrying interest.

Wherever a government has to borrow to meet its expenditures, it is inviting inflation. Best that can be done is to hedge the borrowings so that the government is not committed to redeem its pledges except at its own convenience. Ideally, this would mean that our war borrowings would fall due at intervals in some post-war period of depression—probably not for a year or two after the end of the war.

This principle is apparently being applied in the new compulsory savings, on which there is no specific redemption date. The British use the same technique in their forced savings, and the Germans in their "iron savings accounts." The Germans have added an income tax exemption, on the amount of current income plowed under in iron savings, as an additional inducement.

Obviously, curtailed consumption is an aid to preventing inflation. But where this is attained by selling bonds to the public, a potential inflationary force is being set up at the same time since the bonds themselves may (almost at will) increase the amount of spendable money in the hands of the public.

Past records support this viewpoint. Really serious inflation came to Europe long after the armistice. It was the war borrowings, bouncing suddenly back into circulation, that helped set up the inflation cycle. Even in Canada, prices ceilinged around 1920.

Frozen Savings

So far the only borrowings that offer Canadians any guarantee against this type of inflation are the compulsory savings. War savings certificates could at almost any moment release over $100 millions of purchasing power. A public run on government bonds could release another rough $1.6 billion. The real protection against inflation must therefore be largely psychological, aimed at preventing any such wholesale redemption or sale of government bonds.

Even more sure a preventive of inflation are taxes, which are never paid back to the public. But to tax back our entire war expenditures, theoretically a possibility, would likely be the ruination of production incentives. Most people still judge success by the pay envelope.

More and more this question of incentive will press against Canada's inflation controls. If, for example, the new budget presses the wage-earner too hard, demands for wage increases may become overpowering. If, too, the wage-earner is not convinced that he will gain more by withholding his spending power until after the war, his accumulated savings may be unleashed to bring the inflation he fears. That sort of cycle might end in black markets, bootleg production, a dangerous threat to war production.

Result, Not Cause

If we should reach that stage, note that bank holdings of government bonds would almost certainly increase because of selling by individuals. But these holdings would still not bring corresponding increases in commercial or industrial loans, since industry would still be working primarily on government orders, would be very little changed from the present. The increase in bank bond holdings would be a result, not a cause, of inflation.

Any discussion of the role of bank financing in wartime inflation appears to lead to the conclusion that the banks will not be the cause of any inflation that develops.

More important, it reveals on how tenuous a thread our inflation controls depend. In the final analysis, inflation will only be licked by selling the consumer on the benefits he will get by withholding his spending power. For the most part these appeals have been strongly worded, widely disseminated. But in only one country, Germany, has the appeal been backed up by a tangible promise. That promise is the cheap Volkswagen, the jitney car that all Germans think they will be able to buy cheaply after they have won their promised victory.

Weakness of the German system is that it is backed up only by a Hitler promise, has already become the laughingstock of many German workers. But the idea has merit and may yet have to be considered to bolster Canada's voluntary savings plans.

Don't be an INTESTATOR!

Thousands of people in England scrambled to make their Wills after the bombs began falling—literally shaken into action.

During the periods of heavy air raids, Corporate Executors and Trustees in London experienced a remarkable increase in appointments—not only under new Wills but in replacing, under existing Wills, individual Executors, called up for war service, or unable, for other reasons, to act if needed and, at best, exposed to the same uncertainties of existence as the testators themselves. Many Wills also were altered to meet changed conditions.

Making a Will is something that can easily be attended to before emergencies arise. This duty should not be neglected. The logic and advantages of appointing a Corporate Executor and Trustee are obvious and well recognized.

All that is needed to get the job done, and done well, is to ask us to help you plan your Will, which we shall gladly do without charge. You can then have it drawn in proper legal form, naming The Royal Trust Company your Executor and Trustee, execute the Will and file it with us for safekeeping.

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Insurance Company Report

Phoenix of London

Increased premiums in the fire, accident and marine departments are reported by the Phoenix Assurance Co. of London, England in its annual report for 1941. Fire premiums were $16.6 millions up $1.9 millions. Accident premiums were $19.2 millions up $1.5 million and marine premiums $7.5 millions or $330,000 higher. Loss ratio in the fire department was 46.4% and in the accident department 48.5% Marine claims settled in respect of 1941 amounted to $1.6 million.

In the life branch, new business of $8.5 millions was 18% lower. Total life funds at the end of the year were $100 millions. Calculations are at the rate of £1 equals $5.

In his report for the year R. Y. Shetch, chairman of the company explained that the present policy of storing large quantities of commodities in areas believed reasonably free from air attack in the United Kingdom resulted in the accumulation of large values subject to loss in one fire. He urged the government to support any measure designed to reduce this hazard and to educate the public to the need of fire prevention. The Phoenix of London has been operating in Canada since 1904. William Lawrie is manager for Canada and the head office for this country at Montreal.

Employers' Liability

Total premium income of the Employers' Liability Assurance Corp. in 1941 totalled $33.5 millions, an increase of $2.2 millions over the previous year. The figures include premiums from the fire, accident and general insurance departments. Income from interest and rents amounted to $808,130 making total revenue of $34.3 millions compared with $32.2 millions in 1940.

Total assets at the end of 1941 were $62.7 millions, or $3.3 millions higher than at the end of 1940, a new high. Of this amount $30.7 millions or almost 50% was in government, municipal and provincial securities. Over $9.1 millions was in railway stocks and debentures and more than $6 millions in cash. Reserves for outstanding claims were $22.9 millions.

The funds of the corporation and its subsidiaries at Dec. 31 were over $107 millions against $100 millions the year before. Calculations are made on the basis of £1 equal to $5.

The Employers' Liability with head office at Epsom, England began business in Canada in 1895. The head office for Canada is at Montreal with E. L. Marshall, manager for Canada.

In Canada, premium income for 1941 of The Employers' and its associate, Merchant Marine Insurance Company was as follows:

Fire	$737,494
Automobile	600,710
Accident (personal)	223,581
Acc. (public liability)	206,760
Acc. (employers' liab.)	195,033
Boiler (boiler)	58,816
Earthquake	361
Explosion (riot)	1,429
Guarantee (fidelity)	79,185
Guarantee (surety)	31,690
Inland transportation	5
Personal property	56,415
Plate glass	19,097
Sickness	85,260
Theft	60,367
Windstorm	154
Total, 1941	$2,356,387

Premium income for 1941 showed an increase of more than 11% over 1940 and the 1941 loss ratio was 41.28%.

Alexander Mackenzie, assistant general manager and manager of agencies, and Edmond S. Macfarlane assistant general manager and executive secretary, have retired from the Manufacturers Life Insurance Co. Mr. Mackenzie has been 26 years with the company and Mr. Macfarlane, 39.

ACCIDENT-FREE PLANTS

Stressing the importance to Canada's war effort of preventing accidents in factories, the Industrial Accident Prevention Associations have issued four new posters for plant bulletin boards. The posters, printed in large letters and illustrated, read: "Good Ladders Prevent Falls"; "Good Housekeeping prevents injuries, saves your time and cuts down waste"; "Beware of loose clothing when around machinery"; and "You can't win a war with idle machines . . . Accidents keep men away from work. Keep this plant 'Accident Free'."

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War Death Rate Continues Low

Few Service Men Pay Extra Insurance Premiums

By DONALD G. MACLEAN

With Canada nearing the end of the third year of war there has been considerable speculation as to the experience of the life insurance companies during the period.

Casualties in the armed forces generally have been light so far compared with the last war. Definite figures of the mortality experience of all companies doing business in Canada are not yet available, but statistics recently quoted by John G. Parker, general manager and actuary of the Imperial Life Assurance Co. from the records of three Canadian companies show the following experience.

Year	War claims % of total
1940	2.2
1941	6.2
1942 1st quarter	8.3

Rate for Six Months

Opinion gathered more recently by The Financial Post would indicate the rate for the first six months of the current year to be a little lower than the 8.3% for the first quarter.

The main feature of the figures is that war deaths have added very slightly to the total mortality experience of the companies.

Further evidence is given in figures quoted by A. N. Mitchell, President of the Canada Life, before the Life Insurance Presidents' meeting in New York last December showing the effects on mortality of the last war and this.

Taking 1913 as 100 in the last war and 1938 as 100 in the present one, he showed gross insurance terminated by death in each case as follows:

1914—1918	
1914	116.3
1915	127.7
1916	170.3
1917	186.1
1918	258.1
1939—	
1939	103.5
1940	113.8
1941	111.6

Show General Trend

None of these figures is definitely conclusive in itself but they show the situation in the current war has been much different from that of 1914-18. As far as the effect on mortality among the armed forces is concerned, it is generally felt the war has not started yet.

Figures available from the last war show 75.3 deaths per 1,000 of population during service overseas. The insurance death rate per 1,000 in 1913 was 8.692. Difficulty is found in reconciling the figures because the insurance death rate is based solely on insured lives. The actual death rate for those engaged in war service includes many not insured.

In various branches of the army the death rate 1914-18 ranged from 110.8 per 1,000 in the infantry to 6.7 per 1,000 in the forestry battalion.

Canadians in France

Mr. Parker states that figures collected indicated there were 147.7 deaths per 1,000 per year among the Canadians in France. There was an increasing mortality from 1914 to 1918 ranging from 52 deaths per 1,000 in 1915 to 83 per 1,000 in 1917, the last complete year of the war. For the partial year 1918, the figures were 78 deaths per 1,000.

Owing to the larger numbers involved and the intensity of action, it is estimated that one large land battle would result in a number of deaths substantially exceeding the total to date.

It is with this in view that the companies have inserted the war clause in policies issued since Sept. 1939.

Actual figures are not available at time of writing but it is understood that while large numbers of men in the armed forces have been buying insurance, few of those going overseas are paying the extra premiums to ensure full coverage. This in the case of most branches of the army and the navy is $90 per $1,000 of insurance. Full coverage, even by paying an extra premium, is not permitted by the war clause for men in the air force serving outside home areas.

Less Than 5% Pay Extra

It is estimated the proportion of army and navy men paying the extra premium is less than 5% of those insured.

The general attitude is that the purchase of insurance by a service man now, is an option on insurance for after the war when the individual may be uninsurable owing to sickness or wounds. It is not looked on as coverage against death in action.

It would appear that while war deaths in the armed forces as a whole have been light, extra premiums calling for full coverage on new policies issued since Sept. 1939 have also been light. As policies issued prior to Sept. 1939 contain no war clause, payment of the face value is entailed in all such cases if death occurs in service abroad. In these cases as no extra premium has been received, the full loss must be borne by the companies and the policyholders as a whole.

In the last war the extra cost was estimated at about $2.20 per $1,000 of insurance in force. No estimate is possible of the probable loss this time. The only data so far available has been from the Russian front which indicates a very high death rate.

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Hell's Gate Fish Ladder Still Only Blueprint

From Our Own Correspondent

VANCOUVER. — British Columbia's salmon industry will be obliged to experience another season without the benefit of a fish-ladder at Hell's Gate on the Fraser River.

This project was recommended long ago by the International Sockeye Salmon Commission as a means of restoring the famous Fraser River salmon run to a point where it might conceivably be worth some $30 millions a year. Apparently everyone was in favor of it, and both railroads affected by the necessary blasting granted their consent.

However, Tom Reid, M.P., chairman of the commission, reported at Ottawa that the Provincial Government has withheld approval for the time being.

Provincial officials refuse to accept responsibility for the delay, but point out that they would naturally be opposed to blasting in Hell's Gate just at a time when the annual salmon run is about to begin.

"Obviously the time to do the work is at low water," commented George Alexander, deputy commissioner of fisheries at Victoria. "The water is high at present—the depth about 62 ft., and I understand the blasting is to be done at about 18 ft., or 44 ft. below the then top of the flow."

"Protocol" Delays Job

But there is a more detailed explanation for the delay. If Ottawa, having received the recommendation of the commission and the two railroads concerned—the Canadian National and the Canadian Pacific, whose tracks run close to the canyon—had gone ahead with installation of the fish ladder, it is unlikely that anyone would have made any protest, but Ottawa chose to make formal application for provincial authority. In this case the correspondence was carried on through the Secretary of State rather than as a routine departmental job.

This placed a new and unexpected significance on the whole enterprise. For matters of state must be considered from the constitutional standpoint. The Provincial Government did not feel like making a snap decision because its action would possibly set permanent policy and commit the province to federal control over water power, bridges and similar matters affecting the river.

Hence, most of the summer has been devoted to collection of detailed data.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

G. C. CARTER to be manager Lemberg, Sask.

J. M. CARLETON manager Van Horne and Outremont Streets, Outremont, Que., to be manager Park and Bernard, Montreal.

A. N. DANDO, manager Smithers, to be manager Hasting and Nanaimo, Vancouver.

F. KENNETT, manager Lemberg, Sask., to be manager Fillmore, Sask.

C. R. BLAKE, manager Park and Bernard, Montreal, to be manager Tramways Terminal, Montreal.

R. T. CUNNINGHAM, accountant Gottingen St., Halifax, to be accountant Spring Garden Road, Halifax.

A. G. DICKIE, accountant Spring Garden Road, Halifax, to be accountant Dartmouth, N.S.

O. J. JOHNSON, accountant Church and Wellesley, Toronto, to be accountant Orillia, Ont.

* * *

The Bank of Nova Scotia announces the following staff changes:

L. L. RUSSELL manager Lewisporte, Nfld.

A. L. ORMISTON to be manager Truro, N.S.

More Exchange Held by Bank

$50 Millions Increase Reported in Sterling and U. S. Funds

An unusually large increase in holdings of sterling and U. S. exchange is shown in the statement of the Bank of Canada for the week ended July 22. Holdings rose from $763,493 at July 15 to $55,705,464, the highest point since the accumulation of sterling before the last Victory Bond drive. Part of the proceeds from the sale of Victory Bonds was used by the government to take sterling off the hands of the Foreign Exchange Control Board.

The present situation is probably temporary. Some time ago Graham Towers, governor of the Bank of Canada, said F. E. C. B. activities would mean large fluctuations from time to time in sterling and U. S. currency holdings.

Meanwhile the amount of currency in circulation in Canada is still increasing. At July 22 it stood at $556.5 millions, up $2.4 millions in a week.

	July 22 1942 $	July 15 1942 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	556,554,595	554,136,511
Rest fund	5,585,705	5,585,705
Deposits: Dom.	34,175,642	22,925,240
Banks	286,427,686	244,837,962
Other	12,461,468	13,949,803
Total deposits	333,064,796	281,713,005
All other liabs.	9,577,342	12,778,352
Total liabs.	909,782,438	859,213,573
Assets		
In Sterling & U. S.	55,705,464	763,493
Subsid. coin	429,518	385,878
Investments:		
Dom. gov. sh.	506,853,714	519,060,836
Other Dom. gov.	332,186,561	327,054,449
Total invests.	839,040,275	846,115,285
Premises	1,990,321	1,893,572
All other assets	12,616,860	10,055,345
Total assets	909,782,438	859,213,573

Banque Nationale Lowers Dividends

Cut of 2% in Annual Rate Follows Lead of Other Banks

From Our Own Correspondent

MONTREAL. — Banque Canadienne Nationale has followed the lead of several other chartered banks by reducing dividend from $8 to $6 annually.

Directors have declared the regular $2 share quarterly dividend for the quarter ending Aug. 31, but announced subsequent dividends would be $1.50 quarterly.

In making the announcement, Beaudry Leman, president, said in part:

"Some shareholders will doubtless consider that we are overcautious. It is acknowledged that the affairs of the bank, its investments and its deposits, show a material increase over last year.

"On the other hand, the loans to the Dominion Government yield relatively low rates of interest, and operating expenses, particularly salaries and cost of living allowances, have substantially increased. Above all, it is necessary to take into consideration the Federal taxes which will henceforth absorb a larger share of the profits.

"Your directors are aware of the desirability of guarding against abrupt fluctuations in the yield of bank stocks and you may rest assured that their decision was arrived at after mature consideration."

International Paper Co. has drawn for redemption $431,000 principal amount of its 6% refunded mortgage bonds, series A, due March 1, 1955. The bonds called will be redeemed Sept. 1, next, at 105 and interest, payable in U. S. or Canadian funds, at option of the holder.

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Quebec Flirts With New Politics

Wartime Unrest is Shaking Quebec Liberalism

Weakening Liberal Grasp Gives Quebec Stronghold New and Strong Attraction To New and Radical Parties

By JOHN E. LANGDON

The C.C.F. is now vigorously working to capture the national political balance of power held by Quebec.

Trailing the C.C.F. because it lacks local leadership for the moment, but not so far behind, is the Social Credit Party.

Both these parties are out to convince Quebec that they can secure the economic and social reforms which Quebec believes are overdue. Quebec wants a change and one of the biggest political turnovers in more than a generation may be in the making.

Prime Minister King is fighting hard to hold Quebec's political allegiance for the Liberal party. This support has been the backbone of the organization he has headed for the past quarter of a century. He may continue to hold it, but he is struggling against heavy odds.

His path has not been made easier by the manoeuvrings of the Conservative Party.

Meanwhile the left wingers are busily writing their platforms and amplifying their policies in order to make a compromise with traditional Quebec conservatism.

C. C. F.'s Opportunity

To the Co-operative Commonwealth Federation in particular, the Quebec situation offers an opportunity for the advancement of their programme in a manner which, but a few years ago, it never thought possible.

From a conservative, quiet province, Quebec has been transformed into one of unrest. It is a fruitful field for the activities of the C.C.F. and the propagation of its theories.

Disillusioned and disappointed, Quebeckers are seen as thinking a clique is running affairs at Ottawa. They do not think the government representative of the people, and certainly not those living in the Ancient Province.

Then there has been the aggravating and tantalizing economic situation since 1930. Other provinces have suffered, but Quebec feels that it has had more than its share of woes.

There are many in Quebec who think that a change in political allegiance can't make things worse for them and might possibly greatly improve their lot.

Ripe for Third Party

If a third party can promise enough social and economic reforms, combined with assurance to French Canadians that their institutions, language and religion will be fully protected, a change-over is not only possible but probable.

Right now the C.C.F. "brain trust" is making a determined drive to bring Quebec into the C.C.F. fold.

Professor Frank Scott, member of the McGill University faculty, is the spearhead of the drive.

Backing him is Dr. J. S. Allen of Sir George Williams College, a Montreal educational institution, whose staff reportedly includes some very radical extremists.

The C.C.F. programme not only jibes with some of the new thinking of the French Canadians, but the party seemingly is prepared to go to any length to modify its platform if it will secure the political allegiance of the French Canadians. This view is backed up by the activities of Frank Scott.

Church and the C. C. F.

One of the biggest to be overcome is the condemnation of the party by Archbishop Gauthier back around 1935, when Quebec was just emerging from the depression. The C.C.F. aims then were considered too radical and the reference to religion was not altogether pleasing to the church authorities.

The C.C.F. programme has since been smoothed down to meet new conditions. As one cleric puts it: "The wine has been watered and the C.C.F. will not hesitate to add more water to the wine if necessary."

Before the C.C.F. can secure the widespread support of French Canadians, it will have to modify some of its political planks. In the first place, Quebeckers are opposed to centralization of authority, a major plank in the C.C.F. platform. This is one of the strongest complaints which French Canadians have against the present government in Ottawa. They want decentralization.

For an organization that believes in planned economy, it may be difficult for the C.C.F. to get around this obstacle, although there are some French-Canadian political observers who believe this will not be a deterrent to the party.

Support of Labor

The social and economic reforms advocated by the C.C.F. appeal to many Quebeckers; in particular is this the case with the large number of Quebec workers who are members of international labor unions.

Workers belonging to the Catholic unions are in a somewhat different position, but here again it is believed they could be brought into the C.C.F. fold without too great difficulty, especially if the church authorities favored the movement.

At this time there is a strong undercurrent of labor unrest. Even though they are making more money than ever before, workers allege wage discrimination between provinces; are agitating for what they claim to be the same wage basis as for corresponding groups in other provinces. This agitation is being fanned by labor agitators. who are particularly active in the suddenly expanded war industries.

The labor unrest is not a direct result of the budget. The average working Canadian has not really understood or felt what the budget means to him yet. In September when this realization is clear, it may be expected there will be a substantial rise in labor demands.

All these are conditions favorable to the promotion of the C.C.F. ideas.

In considering the C.C.F. movement in Quebec, one question stands out. Will the French Canadians give allegiance to a political party headed by English-speaking Canadians? The majority say "No!"

Under the leadership of Louis Even, a French Breton, Social Credit has won a place for itself among French Canadians.

Each Sunday, for several years past, groups of Social Credit workers leave Montreal for the small urban and rural areas. During the course of the day, each group holds three or four meetings.

It is by no means unusual for these crusaders to hold 15 or 20 meetings a day.

This group publishes its own paper for French Canadians. It is an eight-page tabloid called Vers Demain. The first issue came out about three years ago. Today it has a reputed circulation of 32,000.

It should not be thought Social Credit in Quebec is a stray movement. True it has no political entity as yet. But there is no reason why the movement might not develop into a political party.

It is worth recording that Premier Aberhart has an eye on this group. It might also be added that the Alberta Premier has a good reading knowledge of French and he is now making himself proficient in the spoken word.

That may not be without political significance. Messrs. King, Hanson and Coldwell, leaders of the three major political parties, do not speak French.

Key to Situation

Answer to how Quebec will go politically in the future hinges on what course will be taken by the national group.

The break over the question of National Selective Service is in part a reflection of a series of social and economic disappointments which the French Canadians believe they have suffered at the hands of the government in Ottawa.

There is tremendous pressure on the French Canadian members in the federal house from their own constituencies to break away.

Maxime Raymond, member of Beauharnois, is regarded as the leader of the 40 or so Quebec Liberal members of the House who would form the nationalist party. He has the support of the younger element in Quebec, but not of the older people or the working classes.

All signs indicate just now that this separatist movement in the federal field is not ready. There are many still who hold to the belief that by sticking with Premier King and the Liberal Party Quebec will get its reward. Others are not so sanguine.

Whether the Quebec block in the federal House will break away and set up another party depends upon developments, particularly in respect to the government selective service and manpower policies.

Drawback to the nationalist movement is lack of leadership.

Maxime Raymond is understood to have been approached in recent weeks to take over the leadership, but turned down the suggestion.

Rene Chaloult, who recently came into prominence because of certain statements made in public and which were the basis of a charge under the Defense of Canada Regulations is highly regarded by some as a possible leader.

It is also not without significance that when talking with French Canadians about the need of leadership the name of Camillien Houde, interned former mayor of Montreal, almost invariably comes to the fore.

Meanwhile another movement is developing in Quebec. It is not reasoned or expressive. So far it has been under cover.

This movement may be described as one favoring sending deputies to Ottawa as a "token" to Confederation.

Ottawa would become of secondary importance in the political thoughts of the French Canadians who would adopt an insular policy of "Let's work for Quebec and build up our own economic and social life."

There is no head or tail to this movement. So far it is merely a line of thought developing.

What could 40 or 50 French-Canadian nationalist members do in the federal House?

With 50 members motivated by a single force—the advancement of Quebec's interests—it means that a straight party government would have to have nearly two thirds of the seats outside the French block in order to hold power.

Under wartime conditions this might not be difficult especially with a national government. In peacetime it would be extremely difficult.

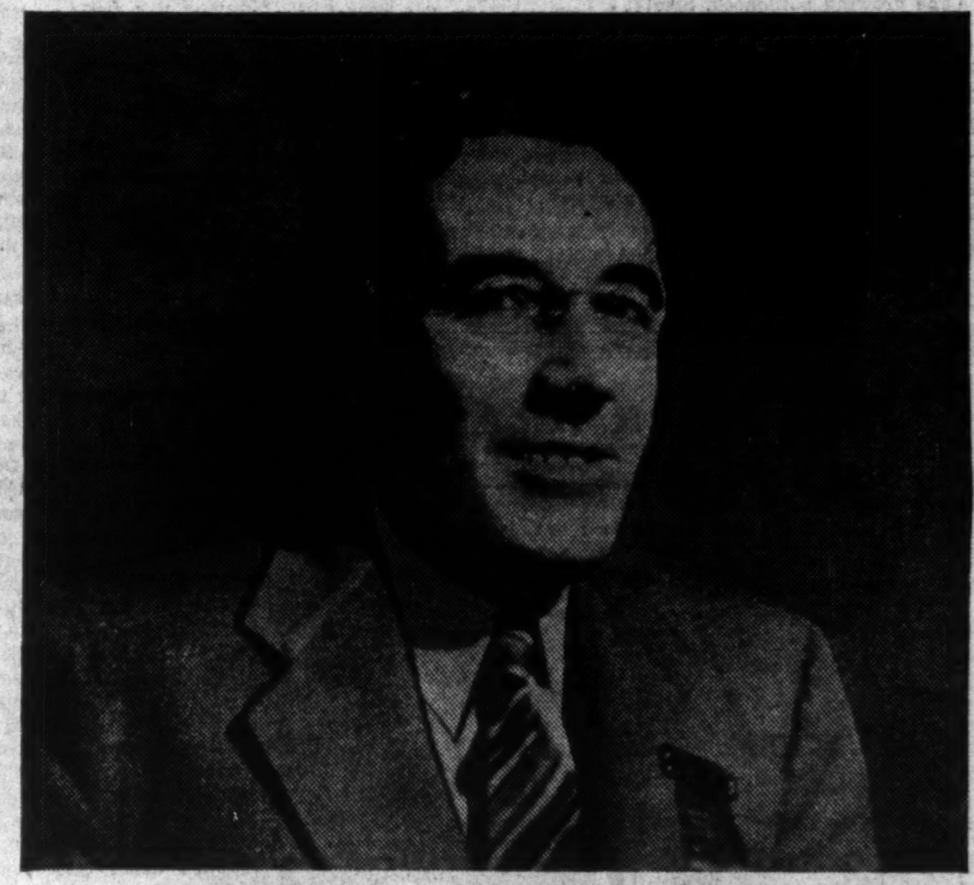
Alliance or Compromise

Oscar Drouin, Minister of Municipal Affairs, Trade and Commerce in the Godbout government, said the other day when discussing the frustrated ambitions of the French Canadians that if Quebec could not achieve its ambitions under the present set-up, then French Canadians should consider "an alliance with or compromise with social and economic movements from the English provinces who show themselves sympathetic to us."

Such a situation is held to be by no means improbable. An alliance with the French-Canadian nationalists would give the C.C.F. the French-Canadian leaders which it now lacks. It might make the C.C.F. a first-place political power.

Quebec's political future is in the making. The next few months may tell whether tradition and the Liberal party will win out.

Aberhart's Social Credit Has Strong Support



Coldwell's C.C.F. is Said Gaining Ground

War Plant Grapples Labor Shortage

Dormitory Housing, Smart Personnel Work, Are Solving Problems

By IAN SCLANDERS

Here are some labor problems of a great munitions plant which was built in Ontario within the last two years, required a vast tract of land for its operations, had to be placed miles from the nearest city big enough to supply the thousands of workers it needed:

1. Absenteeism is high, often exceeds 30% after payday.
2. Labor turnover approximates 15% a month.
3. The supply of women workers in the district has been used up. (In spite of all efforts to hire more women, the number on the payroll has dropped since March. It slumped the day schools closed because working mothers wanted to be home to look after their children in the holidays; slumped again when Finance Minister Ilsley announced the new income tax schedules.)
4. The rate at which labor can be brought in from parts of Canada where there is still a surplus depends on the rate at which housing accommodation can be provided.

Here are some steps being taken to overcome these problems:

1. An intensive morale campaign which includes the establishment of labor-management production committees.
2. Construction of dormitories for single persons and Wartime Housing bungalows for families.
3. As quickly as living quarters can be extended, girls are being hired in the Maritimes and the Prairie Provinces and lent the fare to Ontario.

Entering production at a time when labor was already scarce, the plant has always had to cope with a major labor shortage, and affords a preview of what is ahead for other Canadian industries as the manpower noose tightens.

When the plant was designed unemployment was still common. Men and women would travel almost any distance to get a job, and it was expected all the labor needed would come from the nearest big city. But, by the time the plant was well launched, unemployment had practically disappeared. Almost from the first, there was difficulty getting employees.

In its experience the plant is thus well into the cycle which is just beginning for firms in a more favorable position which formerly had substantial labor reserves.

Sept. 1, 1941, there were 184 men and 192 women on the payroll. At Dec. 31 there were 1,421 men and 1,606 women. At Jan. 31 there were 2,170 men and 2,662 women. Then the reservoir of women showed signs of touching bottom. By March 31, the number of men had been increased to 2,877, but it was only possible to increase the number of women to 2,934.

In April, for the first time, there were more men on the payroll than women—3,561 against 2,921. In May there were 3,628 men, 2,714 women.

The supply of women in near-by towns and villages, and those who were willing to commute from the big city, had been used up, and some who had been persuaded to work found that they could not stand it physically, or that they could not be spared from their homes.

The day after the budget came down, a major exodus of working wives got under way. Several paused to point out that if they worked on and earned more than $660, their husbands would lose tax exemptions given married men, under the new tax regulations. The exodus was not finally stemmed until the Finance Minister made it known that he would amend the regulations in such a way that a married man would continue to get exemptions no matter how much his wife earned. Some women returned after that, but not all. (Last year a husband lost his married man's exemption if his wife's earnings passed $750; a considerable proportion of working wives quit before reaching that mark.)

The women who left when the schools closed may go back to work when a day nursery is opened at the plant. It is also believed that when this project, still in the planning stage, is carried through, women who have not worked at all because of their children will be persuaded to take jobs.

One conclusion which can be drawn from payroll records of the plant is that fewer women are available for work than might be supposed—that national selective service authorities may be a bit over-optimistic about the number of women who can be called into industry, at least under existing conditions. Of course, the women are there if they are drafted for compulsory labor; or it may be that an all-out campaign to appeal to their patriotism would have good results.

The plant in question can find new employees as fast as housing can be created for them, but the housing must come first. (This suggests that the housing shortage and the labor shortage have, up to now, been the same problem, not only here but elsewhere).

Wartime Housing bungalows are being built for married men, and occupied almost before the roofs are on. Dormitory residences furnish the answer for single men and girls, and it hasn't been hard to find workers when dormitory space is available to house them.

More dormitories are being constructed for girls who are being signed up in the Maritimes, Manitoba and Saskatchewan. The plant has three employment offices in the west and a travelling employment representative in the Maritimes, and new girls are arriving at the rate of 50 to 100 weekly. They pay back in installments the money they are lent for the trip.

From the standpoint of economy, it's far cheaper to provide dormitories for single workers than bungalows for married workers. The four-roomed bungalows of Wartime Housing Ltd. probably average less than two workers to a unit because in so many cases only the man of the family works in the plant.

It has been found that the morale of workers housed at the plant-site is better than that of "non-residents."

While labor turnover of employees as a whole runs around 15%, the turnover among those who live in dormitories is only 5%, and they also have a record of less absenteeism.

In spite of all efforts to make them realize that munitions workers are fighting this war just as surely as soldiers in the field, quite a proportion of girl workers can see no more in their jobs than the weekly pay envelopes.

Yet employees as a whole show a definite reaction to the war news. If the news is bad, as when Singapore, Hong Kong and Tobruk were lost, absenteeism falls below average, work speeds up.

Women hired at the plant are supposed to be between the ages of 18 and 35, but it's likely that more than 25% of them are over the age limit, getting in by the old soldier's dodge of forgetting a few birthdays. Those over the age limit are seldom absent for slight cause, especially if they have husbands or sons in the armed forces. Many older women turn up for work even when they are really ill. There is definite evidence that a woman with a husband or son in the army is, as a rule, a more conscientious worker than one who has not.

The manpower shortage is giving industrial management many a headache, holds more grief for the future. Here The Financial Post describes the experience of a plant so situated that it felt the labor famine from the first.

Ship Dispute Drags On

Labor Opposes Seven-day Week as Steel Supply Problem Looms

From Our Own Correspondent

VANCOUVER.—The controversy over ship production is continuing on the west coast before the commission headed by Mr. Justice S. E. Richards of Winnipeg and will probably go on for a fortnight until all the evidence available has been presented.

The first week of the enquiry found both sides inflexible in their support of the principles previously maintained—the government, Wartime Merchant Shipping and the shipyard management in favor of the seven-day week, and the labor unions opposing.

Steel Supply Question

Apart from all the arguments is the over-riding fact that the supply of steel is the most important consideration of all, and most of it comes from the United States, where shipyards operating under the general direction of the Maritime Commission have adopted the seven-day week and are apparently making a success of it.

Present allotments of steel to British Columbia are based on the assurance that the seven-day week will continue, and it is hardly to be expected that the flow of steel will continue without interruption should there be any diversion from that policy in Canadian yards.

H. R. MacMillan, president of Wartime Merchant Shipping, told the commission that eastern Canadian yards were not on the seven-day week basis because they were subject to four or five months freeze-up.

"No matter what we may think of how they are going about it, we must admit that the rate of doing it is going to save the continent," said Mr. MacMillan.

No New Steel Plants

Meantime, there is small prospect of new steel plants being established on the west coast to relieve the growing bottleneck. Steel Controller F. B. Kilbourn has written to Vancouver interests as follows:

"At this juncture the basic problem is that of obtaining the greatest possible quantity of steel in the shortest possible time . . . It should also be remembered that the establishment of a steel industry requires of itself a very considerable use of steel and other critical materials in the construction of buildings and equipment required."

O.P.A. Tightens Hold on Pulp and Paper

Price Regulation Gives Control of Canadian Industry

From Our Own Correspondent

MONTREAL.—Effective control of the Canadian pulp and paper industry has been secured by the United States Office of Price Administration through price regulation.

Around 80% of all Canadian newsprint is marketed in the United States; several hundred thousand cords of pulpwood are shipped to that market each year; it is not only the principal, but the sole market for certain pulpwood operators and takes a large share of our pulp output.

As such, the price at which these products are sold in the United States, more often than not, determines the financial outcome of the manufacturer's operations for the year.

O. P. A. Has Whiphand

Through rigid control of the price in the United States, O.P.A. is not one whit less powerful than were it an agency of the Dominion rather than the United States Government.

Last week O. P. A. announced that price ceilings soon would be imposed on pulpwood at levels "much lower" than the current market price in order to protect ceilings on prices of such products as newsprint.

The forthcoming order is designed to affect principally pulpwood cut and peeled this summer in the New England States, Michigan, Wisconsin, and Minnesota. Prices for this wood have been advancing steadily, forcing the cost to producers of woodpulp up about 25%.

This advance, O. P. A. officials declared, had "squeezed the producers who operate under woodpulp ceilings and that the price ceilings on newsprint and other papers would be threatened. By reducing prices of the raw material, O. P. A. expects to be able to eliminate the "squeeze."

No specific mention is made as to pulpwood imported from Canada. However it is expected the O. P. A. order will be worded in much the same way as the newsprint order, thus preventing the user from paying more for imported than domestic pulpwood.

Since the beginning of the year O. P. A. has regulated pulp and paper prices in such a way as to freeze the price at which the Canadian operator can sell his product in the United States. There is no restriction placed on export sale prices by the Canadian Government, but the action of the O. P. A. is just as effective as if such a step had been taken.

Last January the O. P. A. undertook to make a study of newsprint prices.

In March the organization informed buyers and sellers of pulp to leave the price out of contracts pending the results of its investigation.

Toward the end of March an order was issued setting the price of newsprint at $50 a ton. This order applied only to American producers. However, it was so worded that no user of newsprint could pay more than the basic rates prevailing in October of the previous year.

This action effectively blocked the efforts of the Canadian manufacturers to secure an advance of $3 a ton over the price which had been prevailing since the beginning of 1938.

The following month the O. P. A. issued an order setting a maximum price on pulp. Some price concessions were made to producers of groundwood, but none to those turning out chemical pulps.

Shortly before the pulp producers in Canada and the United States had announced their intention of advancing prices to compensate them for increased costs.

Once again the O. P. A. blocked the move, just as it did in the case of newsprint.

At the end of April last the temporary order governing the price of newsprint was replaced with a permanent order.

Rule on Imported Pulp

Further controls were exercised by the O. P. A. in May. A price ruling was made on imported pulp, all of which comes from Canada. A week later maximum prices were set on pulp of domestic origin.

Last month a ruling was issued on excess freight charges on woodpulp.

This month three orders have been issued by O. P. A. on pulp and paper.

The first set up a differential between standard and "super-standard" newsprint.

Further adjustments were made on the maximum prices on pulpwood.

The third blocked the attempt of Canadian manufacturers to secure a higher price on newsprint to compensate for the increased transportation costs. Due to lack of shipping, the operators sought to equalize the cost of delivering paper by rail to base ports.

Next in the series of orders to be issued by the O. P. A. is that already mentioned, designed to lower the price of pulpwood.

Control All Industry

All these orders of the O. P. A. have resulted in control not only of the price of the domestic article, but also that imported into the country.

Just now practically every ton of paper or pulp and every cord of pulpwood imported into the United States comes from Canada. or Newfoundland.

Through the medium of these orders, the O. P. A. has very effectively secured control of the whole North American pulp and paper industry.

Canada's operators are feeling the "squeeze." On the one hand the Wartime Prices and Trade Board and other government agencies regulates the domestic selling price of their products, wages of labor, taxes, etc. On the other, the O. P. A. tells them that they can get so much and no more for the products they sell in the United States.

Scott Paper Co. Opens Quebec Mill

Scott Paper Co., of Chester, Pa., has opened a new groundwood mill at Clermont, P.Q. in connection with Donohue Bros. Ltd.

"Pulp from this new source will be of the highest quality and is vitally necessary to the increasing demand for paper products of the Scott Paper Co. together with its subsidiaries at Marinette, Wis., and Glen Falls, N.Y.," the announcement said.

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B. C. Japanese Problem Still to be Settled

From Our Own Correspondent

VANCOUVER.—If the Canadian Government had accepted the British Columbia Security Commission's original programme for evacuation of Japanese from the coastal area the job would have been completed long ago, it is believed. But the cost was regarded as excessive and today, after nearly eight months of war with Japan, there are still large numbers of Japanese in the Vancouver district, some of them operating stores.

This situation will not last long. Austin C. Taylor, chairman of the commission, tells The Financial Post that the situation is now well in hand and that all the Japanese will be gone from the coastal sections of B. C. before summer's end.

In the United States, where the military had direct control over the movement of Japanese, there was quicker action and nearly all the 120,000 Japanese in California, Washington and Oregon were placed in new concentration bases by June. It is explained the U. S. Government was freer with its cash outlays and it was assumed from the first that interior states would not absorb a great many of the "people that nobody wants."

B.C. Carried Load

In Canada it was hoped that British Columbia might be relieved to some extent by the co-operation of other provinces, but the extent of this co-operation was not sufficient to rid B.C. of the major load. A few Japanese went to Ontario and the prairies and a large number of males were sent to construction camps in the interior of British Columbia, but at July 9 there were still more than 9,000 Japanese men, women and children not evacuated from the Vancouver area, including 2,990 in the Hastings Park camp, 157 in detention from subsequent internment and 6,044 permitted to remain in the city until arrangements had been completed for their removal.

To clear the city—Japanese have been congregated here from all other coastal points so that they may be under close supervision—the security commission has arranged to accommodate some seven or eight thousand Japanese in family units on colony farms at Hope and Slocan, where they will engage in farming.

Policy in future will be to keep Japanese construction camps away from main line railroads and to reunite married men and their families.

Liquidating Businesses

That Japanese are still doing business in Vancouver is explained by Glenn McPherson, enemy property custodian, on the ground that they should be allowed to liquidate their business "in an orderly manner" at minimum cost to the taxpayer.

"If a Japanese store owner is allowed to continue in business until the time he is evacuated, he liquidates his own merchandise. He also clothes and feeds himself and family instead of burdening the taxpayer," said Mr. McPherson.

When it is necessary for the government to sell Japanese property the custodian makes the deal by public tender and not by private sale.

Study Subsidies On Import Goods

By STAFF WRITER

OTTAWA. — Publication of a new and revised list, extending by several hundred the number of items which will be declared ineligible for import subsidy under the price ceiling, is expected soon.

The new list results from a careful study of the entire customs tariff and will consolidate earlier prohibitions. With one exception it will complete the analysis and classification of goods which are to be declared eligible or ineligible for subsidy treatment under the price ceiling.

An initial list of items declared ineligible under the price ceiling was made effective Jan. 1, 1942. Subsequently a second list of 30 or more products ineligible for subsidy was announced May 10. The second list was composed largely of imported food items. At the same time a new category was established for goods ineligible for import subsidy except when the prior approval of the Commodity Prices Stabilization Corp. had been obtained.

The Hong Kong Affair

Herewith The Financial Post publishes a striking and very objective summary of the Hong Kong affair which appeared in The Washington Post, July 21. Some of the comments, being those of an independent outsider, are very apt.

On Christmas Day, 1941, the garrison at Hong Kong surrendered. Because Canadians died bravely there, recruiting posters in Canada soon carried the slogan: "Remember Hong Kong." But it was evident from the start that the Canadian public wasn't remembering Hong Kong in the way the government intended.

The disaster at Hong Kong threatens to be a blot on the record of the "voluntary recruiting" policy. Canadians refuse to be comforted with vague assurances that the expedition was well organized. The clamor for the whole truth is swelling into a din.

Were untrained troops sent to Hong Kong? Were they sent with insufficient equipment? If so, who is to blame? These are the questions that demand an answer.

No man has been more persistent in his denunciation of the Hong Kong affair than Col. George A. Drew, leader of the Conservative opposition in Ontario and one of the most popular men in Canada.

On January 12 of this year, Colonel Drew said during a speech he made in Toronto: "Let us face the shameful truth, let us consider the most terrible example of this shortage of trained men. At the very last minute a number of untrained men were attached to the forces leaving for Hong Kong in order that they might be brought up to strength. Many gallant young Canadians went into one of the bitterest battles of all history with little or no knowledge of the weapons they were called upon to use. Let that simple fact speak for itself and let that simple fact answer those who suggest that our need for men is being met by the present system."

Ten days later the Hon. R. B. Hanson, leader of the opposition in the House of Commons demanded that a special committee of the house be set up to examine the facts of the Hong Kong expedition. He declared that 138 to 148 Canadians with less than minimum training were sent with the expedition, and criticized the transport and equipment facilities.

Hearings in Private

In February the Prime Minister announced the appointment of Sir Lyman Poore Duff, 77-year-old Chief Justice of Canada, as commissioner to "enquire into a report on the organization, authorization and dispatch of a Canadian expeditionary force to Hong Kong." Sir Lyman decided to hold the sittings in private. On the nomination of Hon .R. B. Hanson, Colonel Drew acted as one of the counsel at the secret enquiry.

The Duff report was tabled in the House of Commons on June 4. The report was made public, but the evidence on which it was based was not. Sir Lyman found that the force was a credit to Canada, and that in general the task of organizing the expedition was carried out well. His only criticism was of the failure to get certain equipment to Vancouver on time for shipment on the same vessel as the troops. He made no criticism of the training of the troops or of the selection of men to be sent.

Colonel Drew immediately gave a statement to the press, saying that he was astounded at the conclusions of the report. He charged that salient facts had been suppressed.

It was the turn of the Canadian people to be astounded when a summons was served on Colonel Drew requiring him to appear in police court in Toronto. He was charged with violating the defense of Canada regulations, having "unlawfully made a statement with respect to the Hong Kong commission report likely to prejudice the recruiting of His Majesty's forces."

Held Political Arrest

Members of Parliament, the press and the public protested violently. It was suggested that a prosecution of Drew was a political move to convince the people of Quebec that the justice department is impartial. (A member of the Quebec legislature has recently been charged under defense of Canada regulations). Editors chorused: "Imagine what the Berlin and Rome radio will do with the story that the leader of the Conservative Party in Canada's largest province has been charged with interfering with recruiting." Colonel Drew is universally believed to be a person who is loyal to Canada." . . "We are confident that public opinion does not in any part of Canada believe that the offense with which he is charged ought to be an offense." Members of Parliament protested at "prosecutions under the defense of Canada regulations of loyal citizens, such as that great and gallant soldier, Col. George Drew."

The government was placed in an embarrassing position. On the one hand there was the impossible situation with regard to the trial itself. Colonel Drew would have to base his defense on evidence regarding the Hong Kong expedition which the government wished to keep secret. On the other hand there was the clamor for a public debate.

Finally the government gave in. The Prime Minister promised an opportunity for debate on the Hong Kong report, with the warning that evidence on which the report is based still cannot be made public.

At the same time the crown withdrew the charge against Colonel Drew, stating that the trial could not possibly proceed while public discussions were going on.

Case Still Very Alive

The case of the Crown versus Colonel Drew is closed. But the Hong Kong affair is still a live issue. The laying of the charge against Drew had two effects which the government possibly didn't foresee. It has focused public attention on the appendix to Commissioner Duff's report, which otherwise might not have received much attention. It has raised Colonel Drew in the eyes of the public from a popular soldier and politician to the status of a national hero and martyr.

An added factor is that Colonel Drew's opinions are respected in England and the United States as well as in Canada. Less than a year ago he was in England, outlining over the BBC a plan whereby Canada could become the training ground for Empire attack troops. "Colonel Drew has something . . . He speaks with authority . . .British officials are not letting his plan go unnoticed," said the London papers.

May Demand Changes

"Remember Hong Kong," which started out as a recruiting slogan, may yet lead the Canadian people to demand drastic changes in Army command, government and recruiting methods. Extracts like this one from a Canadian weekly speak for themselves:

"In memory of a private soldier in the Canadian Active Army. Born in Ontario, March 13, 1923. Volunteered for overseas service September 22, 1941, aged 18 years and 6 months. Entrained at Toronto for Hong Kong, October 23, 1941, one month and one day after enlistment. Died of sickness in a Japanese prison camp Mar. 18, 1942, five days after his nineteenth birthday.

"I am satisfied that in respect of weapon training, as in respect of other matters, this selection of troops for service in Hong Kong cannot be justly impeached as affected by any error in judgment." . . Extract from the Hong Kong report of the Commissioner, Sir Lyman Poore Duff, aged 77."

Woodelm Ltd., a holding company for the insurance firm of E. L. McLean Ltd., has disposed of 10 shares of its B stock at $15 a share, according to E. L. McLean, president.

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AND ITS WHOLLY OWNED SUBSIDIARY

CONSOLIDATED BALANCE SHEET

As at 30th June, 1942

ASSETS

Cash on hand and in banks		$ 160,187.40
Accounts receivable less reserve for doubtful accounts		176,256.11
Inventories of ingredients, finished products and supplies, as determined and certified by the management, valued at not more than the lower of cost or market		305,784.26
		$ 642,227.77
Mortgages receivable		16,690.00
Buildings and equipment—at cost	$5,198,890.43	
Less reserve for depreciation	2,930,645.68	
	$2,268,244.75	
Land—at cost	341,755.31	2,610,000.06
Prepaid insurance, taxes and other charges		92,862.38
Goodwill (less amounts written off)		500,000.00
		$3,861,780.21

LIABILITIES

Accounts payable, wages and other accrued charges		$ 316,393.29
Reserve for taxes (including income and excess profits taxes)		155,939.80
Dividends on preference shares—payable 1st July, 1942		34,375.00
		$ 506,708.09
Note payable 1st August, 1942		200,000.00
Deposits by salesmen	$ 59,241.31	
Less cash and government bonds held in trust	59,241.31	
Reserve for contingencies		85,000.00
Capital:		
Authorized and issued—		
12,500 6% Cumulative redeemable first preference shares of $100 each, redeemable at $110 per share	$1,250,000.00	
25,000 5% Cumulative participating redeemable Class "B" preference shares of $50 each, redeemable at $100 per share	1,250,000.00	
200,000 Common shares of no par value	25,000.00	
	$2,525,000.00	
Earned surplus—as per statement attached	545,072.12	3,070,072.12
		$3,861,780.21

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30th JUNE, 1942

Profit on operations before charging bond interest, depreciation and income and excess profits taxes		$ 561,947.92
Add interest earned on investments		2,589.55
		$ 564,537.47
Deduct:		
Bond interest	$ 2,643.50	
Provision for depreciation of buildings and equipment	256,428.67	259,072.17
		$ 305,465.30
Deduct provision for income and excess profits taxes		122,000.00
Net consolidated profit for the year		$ 183,465.30

CONSOLIDATED SURPLUS ACCOUNT

FOR THE YEAR ENDED 30th JUNE, 1942

Balance at 30th June, 1941		$ 499,106.82
Add net consolidated profit for the year ended 30th June, 1942		183,465.30
		$ 682,572.12
Deduct:		
Dividends on preference shares:		
First preference shares—6%	$ 75,000.00	
Class "B" preference shares—5%	62,500.00	137,500.00
Balance at 30th June, 1942		$ 545,072.12

Your Income Tax

Payments of income taxes collected at the source begin in September. In this weekly column, The Financial Post answers problems you may have in connection with your income tax. In some cases, rulings have yet to be made, hence The Post can only cite informed opinion.

Compulsory Savings

Are compulsory savings collected from men who have passed the age of 65?

No. Persons over 65 are exempt from compulsory savings regulations.

• • •

Equipment Costs

If a man is compelled by government regulations to replace oil heating apparatus with coal heating, can he: (a) Deduct the amount spent from his income tax, or (b) Deduct the expense from income before figuring the tax?

Not if he made the change in his own home. If he made the change in a property he was renting to someone else, it might be possible for him to obtain some concession, but there is nothing specific to cover the case.

• • •

Payments on Business

In 1940 I sold out half of a business to two younger men for a small cash payment, the balance to be paid monthly over a term of years. Will these payments be regarded by income tax authorities in the same light as principal on a mortgage or life insurance, and permitted as part of their forced savings?

This is not covered as the regulations now stand, although there has been some discussion at Ottawa about an amendment to permit deductions from forced savings for repayment of loans. If this is passed, payments by the two young men might be regarded as repayment of a loan. This, however, is uncertain.

• • •

Insurance Principal

My son in the air force lost his life a few months ago, leaving me an insurance policy for $5,000. My normal income for 1942 will be about $5,000, but in 1943 will only be about $1,800. Could I hold the cheque uncashed until Jan., 1943, and not figure it in my income for tax purposes until then.

There is no income tax on life insurance principal, so no matter when you cash the cheque, it will not change your tax.

• • •

Insurance Premiums

For some years I have been paying $200 per annum on an endowment policy and have never deducted this from income tax, as I was under the impression there was no allowance granted. Could I make a claim for a rebate now?

The only deduction allowed for insurance premiums is from the refundable portion of the graduated tax, or compulsory savings. We have never before had compulsory savings, nor has any tax allowance ever been made with respect to life insurance in the past, so you would have no grounds for seeking a rebate.

• • •

Eight Months Behind?

Are the deductions from Jan. to Aug., 1943, to be applicable to 1942 income, so that in Sept., 1943, the taxpayer will be eight months behind with his taxes?

The answer is yes.

• • •

Company Shares

Certain companies have a scheme of selling stocks or shares to employees on a monthly payment basis. Could this be considered as an alternate savings plan, or used as an exemption on the refundable portion of the new income tax?

No. This would be regarded as a straight investment, and liable to taxation.

• • •

Superannuation Payments

I have been paying into a superannuation fund of my company, and have accumulated about $500 in this way. I have never been taxed on payments to this fund. Now I am thinking of leaving my job. When I quit I will get the $500. Will I be taxed on this, and if I am will the tax be at the new rates, or at the rates prevailing when I made the payments to the fund?

You are subject to taxation on this amount at the present tax rates.

PLAN AHEAD

The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.

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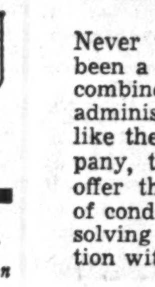

We Invite Consultation

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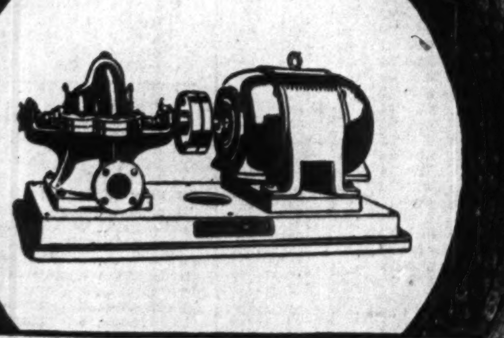

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Output Concentration Is Back in Spotlight

Concentration of civilian production in Canada has been brought freshly to the fore by recent developments in the United States. Production Chief Donald M. Nelson has announced that virtually all production of essential civilian goods in the United States will be concentrated in a comparatively few conveniently located plants for the duration. It is expected that the restriction of an industry's output to a few plants will closely follow the pattern in Great Britain.

Concentration of production has been under close study by Canada's Wartime Prices & Trade Board for some months. Should W.P.T.B. decide on action similar to that taken in Britain and now forecast for the United States, it will mean the most drastic realignment that has yet come to civilian industry in wartime.

Main reasons for the production concentration policy are three:

1. To release labor for the armed forces and vital war production.
2. To release factory space for production and storage.
3. To ensure that the reduced quantities of consumer goods shall be produced as economically as possible, all of which would be working fulltime.

For Postwar Reconstruction

In Britain a secondary objective to ensure that a nucleus of each industry would be preserved for postwar reconstruction has been recognized. The form of the concentration arrangement has been influenced by this motive.

Early in 1941, one problem of British war production came to a head. Industry had to meet demands for still greater war production and, at the same time meet civilian needs. In a long list of light industries many factories were operating at rates well below capacity. Priorities, retail rationing, and the loss of many export markets had made substantial inroads into their business. Despite the fact that a good many of the factories in these industries were operating at no more than 30 to 60% of capacity, its specially trained workers refused to move on to other industries so long as their own factories remained open. They figured that such a move would mean loss of seniority, perhaps joining another union or shifting to another town.

Decide Themselves

To meet the situation, the government, in April 1941, introduced a plan for the concentration of industry. Each industry was given an estimate of what its wartime production could be. It was then left up to the various members of each industry to decide what factories would continue to operate as nucleus firms to handle all production. The firms selected had to show that they would be working full time and they were then given special privileges with regard to raw materials and labor. Industries were asked to formulate their own plans for concentration, the government reserving the right to apply compulsion as a last resort.

The nucleus factories along with serving the customers at the closed plants make regular monthly payments to the management in proportion to the business taken over. This payment covers only maintenance and repair costs, no provision being made for any dividends to stockholders. Nucleus mills deduct the compensation payments from profits when computing taxes.

Affects 50 Industries

Now in operation for over a year, the British concentration policy has been applied to about 50 industries. The number of workers who have been released, or for whom provision for release has been made, is now about 225,000 while at least 52 million sq. ft. of factory space has been made available for production and storage. More than 2,000 establishments have closed. Among the industries to which the policy has been applied are boots and shoes, carpets, cotton, cutlery, gloves, hosiery, jute, leather goods, pottery, rayon, toilet preparations, wool and the woodworking industries.

Concentration in leather goods has released 2,200 workers and 300,000 sq. ft. of floor space. Shutting down 445 firms in the hosiery industry has made available 30,000 workers and 5 million sq. ft. of floor space for war purposes. Workers displaced by the changeover have been readily absorbed in the war industries. The telescoping effect on the British clothing plants, it has been estimated, will leave only 2,000 of 25,000 firms in that business.

It appears probable that production concentration will be carried further in Britain with more industries continually coming within its scope. The Ministry of Food is following a similar policy of concentrating the manufacture of certain food products. Labor Minister Ernest Bevin recently said: "We must carry concentration further . . . into the realms of banking and insurance, and ancillary services of all kinds."

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Loblaw Groceterias

Would you briefly review recent results of Loblaw Groceterias along with some indication of the effect of wartime operating conditions?

Loblaw Groceterias Co. is one of the leading operators in the chain grocery store field. It confines its business entirely to Ontario and has pioneered the operation of the groceteria type. A feature of this company's operations has always been the relatively large margin of profit as compared with similar companies, and the large sale volume per store, both factors aiding in its earnings record.

For the year ended May 31, 1942, it is estimated this company again showed a large gain in sales, probably taking its volume well over $40 millions for the year as compared with $35.3 millions in 1941, the previous high record.

What the future has in store for such companies is a little hard to suggest. Many of its lines are disappearing and the ones which are disappearing may have been these on which profit margins were somewhat wider than average. On the other hand, there is nothing in sight yet to suggest that the total volume of food sales in Canada is going to shrink. Working of price control in the grocery field has presented many problems and has undoubtedly had some effect on the company's profit margins. Higher taxes under the latest budget will also reduce profits.

Massey-Harris

Some idea of the outlook for dividends and general position of Massey-Harris common would be appreciated.

Massey-Harris Co. has recently completed a reorganization. As a result of this, large arrears of dividends on the preferred stock and the deficit on the balance sheet have been written off and the company has been able to resume dividend payment on its preferred stock. Common shareholders received one new share for each two old shares held.

While it is true that one more barrier toward any dividend on the common stock has been removed, it hardly seems likely that the company will start payments in the near future. For the current year, it is expected that production of the company's regular lines of farm implements will be considerably curtailed due to necessity of conserving materials for more urgent war uses. At the same time, Massey-Harris is exceedingly active in war production and its seems quite probable that increasing war output will replace the reduction in regular business.

Earnings in 1941 were well ahead of recent years at 71 cents a share on the new common as compared with 27 cents in 1940. The company has built up a world-wide business, but in recent years, even before the war, was experiencing some difficulty in maintaining exports because of restrictions imposed by various countries. It seems reasonable to expect that Massey-Harris can maintain its position in its field as it has demonstrated ability to keep its engineering and manufacturing processes well up with others.

Burns & Co.

Do you think the heavy volume of business being handled by Burns & Co., indicates the possibility of a common dividend?

Burns & Co. earned $2.88 a share on its class A stock in 1941, the first time the company has had any balance available for this stock since 1937 when 83 cents a share was earned. In 1940 a deficit of $2.27 a share on the class A was reported. From this, it appears that there is little immediate likelihood of a dividend on this stock. New and higher taxes must also be considered.

Sales reached the highest volume in its history in 1941 and it appears likely that a comparable volume will be achieved for the current year. Livestock production in Canada is at peak level and there is a demand for everything that can be processed, both for domestic consumption and for shipment overseas. It should be pointed out that much of this increased demand is directly the result of war conditions.

The company has fairly heavy bank loans, reflecting in large part the heavier inventories necessary because of the larger scale of business being done.

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The Myth of Wars For Dollars

(Continued from page 1)

unification and that disruption sprang all European wars between Napoleon's fall and Hitler's rise.

Details Clear Legends

We should revite the essential details of the antecedents of the First World War because they seem to have been obliterated from the minds of our contemporaries (except the professional historians) by subsequent events and the legends surrounding them. The widely believed fable is that the First World War sprang exclusively or principally from the antagonism between Germany and Great Britain, from the struggle between their imperialisms over spheres of interest and influence, colonial expansion, and violent competition over trade and investments. Never has a historical legend been more boldly maintained in the face of contradicting facts.

Austria's imperialism was of a peculiar sort. Of all the great European powers she was definitely averse to territorial gains, because any territorial change would upset her internal equilibrium. It was an imperialism of gesture, of prestige, of self-assertion. Austria had to show off her strength because she was not sure of it, and had to convince herself as well as the world outside of her power. The stewards of the Austrian dynasty did not want a world war. They only wanted a little war with Serbia to discourage once and for all the Pan-Slavist forces working on the disruption of the monarchy.

Economic Motive Lacking

Where in this course of events does the economic motive enter? Where are the economic causes determining the actions of the players? Economically Austria-Hungary was possibly the best-balanced, most self-contained unit among the Great Powers. She did not aspire to colonies. She had no funds to spare for foreign investments. She was a debtor rather than a creditor country, despite some improvement in her position in the decade preceding the war.

Even more remote from any economic consideration was the Russian policy. Russia herself had an embryonic industry, inadequate for her domestic demands, and was dependent on capital imports to develop her own resources and her railroad system. Certainly it would be preposterous to speak of Russia's struggle for foreign markets and investments. If anything, the Balkans, which enjoyed Russia's all-out support, competed with Russian products on the world markets.

The position of France was equally clear. France was closely tied up with Russia by a military alliance which she had bolstered by heavy loans (the Trans-Siberian Railroad was built principally with French money). By 1914 one fourth of all French foreign investments, well over $2,000 millions, were Russian securities. But the loans were granted under pressure from the French government to fortify the alliance — the alliance was not made to promote a financial expansion.

The most illuminating case in point is Italy. She acted directly against her economic interests all along the line. The amputation of Trieste from the Austrian hinterland was obviously tantamount to a death sentence for this Adriatic port, and it was foreseen that Trieste would not only have to be heavily subsidized but would compete with Venice and Genoa, the two old established Italian ports. Therefore she was supported by German capital, which again did not prevent Italy from turning against her allies in 1915.

But does perhaps economic antagonism between Germany and England make up for the lack of economic interest on the part of the other players in the world drama? Let us first remember that both Britain and Germany—each in her own camp—worked hard up to the last moment to avert a spread of the conflict beyond Austria and Serbia. These efforts were frustrated for Germany by the Russian mobilization, for Britain by Germany's invasion of Belgium. In the decisive hours, both powers acted exclusively from military considerations.

The menacing naval competition between Germany and Britain made it utterly impossible for Britain to tolerate a German occupation of the Channel ports, even if liberal, nonconformist England could ever forget her moral and contractual obligations toward Belgium and France.

German nationalists possibly had reason to believe in England's commercial envy. Germany had been overtaking England industrially and had conquered a steadily increasing share in the world markets. But it was Germany who marched into Belgium and thereby forced England into the war.

Boer War Exception

The Boer War is the only war in which economic motives can be suggested with some semblance of plausibility. In all other instances it was the governments that created or pretended economic interests rather than economic interests that forced the governments to military actions. The two outstanding examples of such fake economic interests about which war allegedly became necessary are the Russo-Japanese War of 1904 and the Italo-Turkish War of 1911.

"The Japanese-Russian War was largely a result of the clamor of financial interests seeking to exploit Manchuria," wrote Mr. F. C. Howe. In a similar vein Harold J. Laski assures us that "the Russo-Japanese War was, in the last analysis, the outcome of an endeavor of a corrupt government to defend the immense timber concessions in Manchuria of a little band of dubious courtiers."

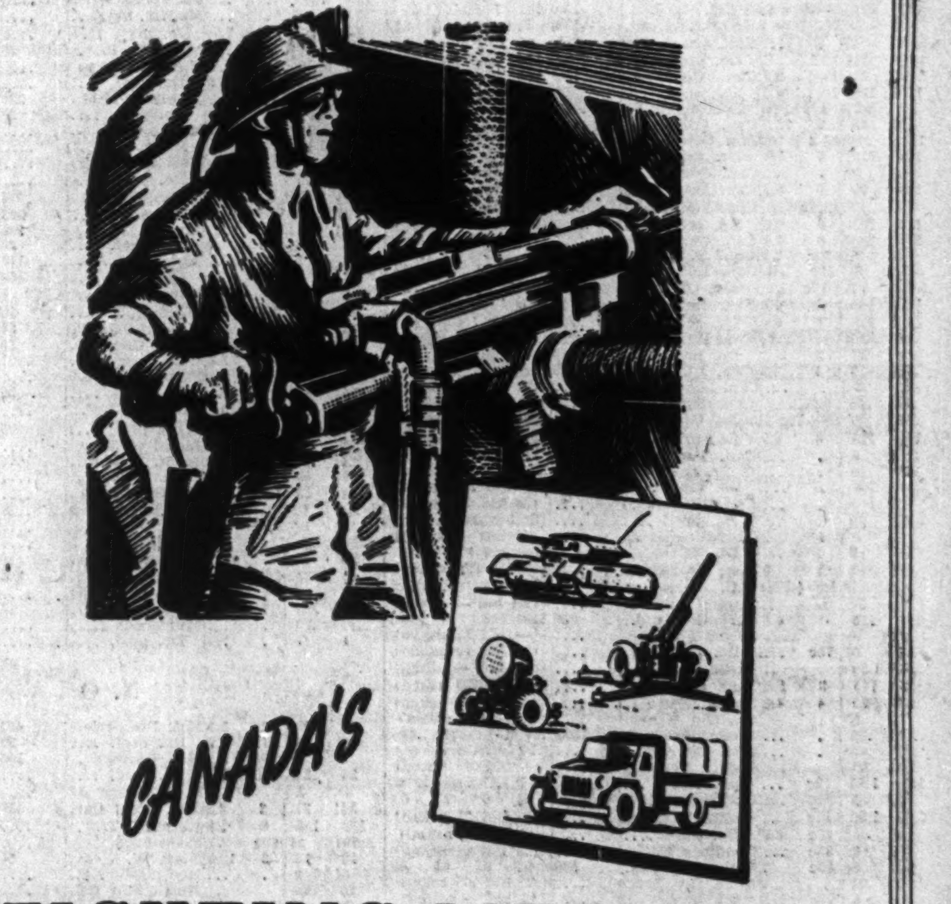
The historical truth as revealed by the eminent American historian William L. Langer in 1926 is just the opposite. It is now established beyond doubt that the timber concessions on the Yalu River on the border between Korea and Manchuria were seized upon by the Czarist government as a pretext for claiming that area as a Russian sphere of interest and to prevent its falling into Japanese hands. The 20,000 "timber men" who opened the fight were the ancestors of our well-known German "tourists" in the present war, disguised soldiers who move into the prospective fighting zone to establish their position long before the enemy arrives. The Yalu River concessions were never expected to be profitable, and certainly Russia was never in a position of financial expansion. What was at stake was the control of Manchuria, and if possible of Korea, as a hinterland for Russian naval bases.

When France, driven by the same motives of glory and prestige, secured her protectorate over Morocco without the slightest economic gain, Tripoli was the last slice of land on the African shore of the Mediterranean to be grabbed by a European power. In many years of intricate diplomatic bickering it was agreed to allow Italy a free hand in that direction.

None of the other colonial frictions ever led to war. Most of these frictions over economic "interests" were created not by bankers, merchants and industrialists, but by governments or by nationalistic cliques which tried to push their governments into action.

"This Age of Fable," by Gustav Stolper is published in Canada by McClelland and Stewart.

CHEMISTRY HELPS TO WIN THE WAR



FIGHTING METALS

CANADIAN industry, factories, mills and shops, daily produce ever increasing quantities of ships, planes, tanks, mechanized transports and guns. But the continued production of these weapons depends on the ability of Canada's mines and miners to keep the "fighting metals" coming.

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THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

he following table is confined to official prices for listed stocks, including curb market quotations. re no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by ted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JULY 27

ange 942 h	Low	Div R'te $	Jly25 Y'ld %		Sales	Last July 20	Week end. July 27 H	L	Cl'se
				A					
75	.40	.	...	Abitibi	120	.50	.55	.50	.55
7	4	.	...	Do. pref. 6%	235	5½	5	4½	4½
25	13	.	...	Do. pref. 7%	....	(13½ bid — asked)			
3	3	.	...	Acme Glove	....	(3 bid 3½ asked)			
60	50	6.50	13	Do. pref.	5	54	50	50	50
13	11	80+20c	9	Agnew Surp.	5	11½	11	11	11
10	106½	7	6.6	Do. pref.	....	(106½ bid — asked)			
.90	.75	.	...	Alta. Pac. Gr.	....	(— bid .85 asked)			
27	21½	.	...	Do. pref.	20	25½	26½	25	26½
9½	8	.	...	Algoma Steel	310	8	8½	8	8½
84	82	5	6	Do. pref.	....	(— bid 92 asked)			
109	88	8+2*	11.4	Aluminium	291	89½	90	88	88
118	112	6	5.1	Do. pref.	....	(112 bid — asked)			
7½	6	50c	..	Amal. Electric	....	(6 bid — asked)			
†37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
42	40	2.75	6.7	Ang. Can. Tel p	....	(42 bid 44 asked)			
19	17	80+40c	7	Asbestos	156	17½	17½	17½	17½
18½	13½	1.75	12.9	Assoc. Brew.	....	(13½ bid 14½ asked)			
112	109½	7	6.3	Do. pref.	....	(111 bid — asked)			
†1	1	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
124	24	96c	...	Do. pref.	....	(— bid 22 asked)			
102½	102	5.50	5.4	Ault & Wiborg	....	(102 bid — asked)			
				B					
150	134	8	5.9	Bk. Can. Nat.	112	148	148	134	134
189	145	8	5.3	Bk. Montreal	34	165	160	145	145
275	269	12	4.4	Bk. N. Scotia	11	270	270	269	269
255	225	10	4.4	Bk. Toronto	....	(225 bid — asked)			
8½	8½	35c	...	Barber Ellis	....	(6 bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.50	.	...	Barker's Bread	100	.85	.75	.75	.75
18	12	.	...	Do. pref.	25	24	15	15	15
14½	11½	1+25c	10½	Bathurst Pr.	85	12	11½	11½	11½
2.25	1.00	.	...	Do. (B)	25	1.00	1.50	1.50	1.50
6	3½	80c	...	Beath & Sons.	....	(5 bid 7 asked)			
8	6½	.	...	Beatty Bros.	....	(6½ bid 7½ asked)			
110	102	6	5.4	Do. pref.	....	(109 bid — asked)			
100	76	7	7	Do. 2nd pref.	5	95	100	100	100
9½	9½	.	...	Beauharnois	130	9½	9½	9½	9½
81	81	4+2	7.4	Belding Cort.	....	(80 bid 86 asked)			
124	115	7	6	Do. pref.	....	(115 bid — asked)			
150½	134	8	5.9	Bell Telephone	575	136½	136½	135	136
7	6½	30+10c	..	Bertram & Sons	....	(6½ bid — asked)			
7½	6	60c	10	Biltmore Hats	40	6½	6	6	6
3	2½	.	...	Blue Ribbon	....	(2½ bid 3 asked)			
32½	25	2.50	9.6	Do. pref.	30	25	26	25	25
10½	10½	60c	5.6	Blue Top Br. A.	....	(10 bid — asked)			
10½	8	.	...	Do. "B"	....	(9 bid 10 asked)			
3½	3	.	...	Brand. Hender.	....	(3 bid — asked)			
21	20½	1.30	6.2	Brant. Cord. pf.	....	(21 bid — asked)			
10	6	40c	...	Brazilian Tr.	6954	9½	10	9½	10
5½	3½	50+10c	..	Brew. & Distil.	85	4½	4½	4½	4½
†6½	6½	.	...	Bright, T. G.	....	(6½ bid — asked)			
†90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18	13	1	6.6	Brit. Amer. Oil	775	14½	15½	14½	15
16	12	1.50	...	B. C. Packers	....	(13½ bid — asked)			
22	17	2	9.5	B. C. Power A.	25	21	21	21	21
1.25	.75	.	...	Do. (B)	....	1.00 bid 2.00 asked			
6	4½	20c	...	Bruck S. Mills	5	4½	4½	4½	4½
14	11½	70+10c	6.3	Building Prod.	90	12½	13	12..	13
8½	7½	60c	7.5	Burlington Stl.	....	(7½ bid 8 asked)			
				C					
..	..		...	Caldwell Linen.	....	(4 bid — asked)			
23½	23	1.50	6.5	Do. 1st pref.	120	23	23	23	23
9½	9½	80c	8.6	Do. 2nd pfd.	25	9½	9½	9½	9½
†70	70	.	...	Calgary Power	....	(— bid — asked)			
102	98	6	6	Do. pref.	....	(97½ bid 102 asked)			
2½	1½	.	...	Canada Bread	....	(1½ bid — asked)			
103	98½	6	6	Do. pref.	....	(98½ bid — asked)			
46	30	2.50	6.5	Do. pref. B.	....	(34 bid 40 asked)			
5½	5	40c	6.9	Canada Bud	....	(5½ bid 6 asked)			
5	3½	.	...	Canada Cement	434	4½	4½	4½	4½
*102	93	6.50	6.9	Do. pref.	303	97	96	93	93
†5½	5½	.	...	Can. Cr. Stone.	....	(3½ bid — asked)			
106	102	5	4.8	Canada Cycle, p	....	(104½ bid — asked)			
20½	13	1.50	11.5	C. & D. Sugar.	290	15	14½	13	13
19	15	1.50	9.4	Can. Forg. (A)	100	17½	16	16	16
20	18½	1.50	7.5	Do. (B)	10	19½	20	20	20
60	50	6	...	Can. Iron	....	(50 bid — asked)			
80½	80	6	7.5	Do. pref.	....	(75 bid — asked)			
38	33	2+50c	7.2	Can. Malting	155	35	35	34	35
5½	4	60c	12	Can. Nor. Pr.	....	(4½ bid 5 asked)			
88	78½	7	8.2	Do. pref.	....	(85 bid — asked)			
87	74½	4	5	Can. Packers	5	79	80	80	80
126	115	8	6.9	Can. Perman.	28	116	116	115	115
9	8½	50c	...	Can. Starch	....	(8½ bid — asked)			
113	111	7	6.2	Do. pref.	....	(111 bid — asked)			
7½	5	.	...	Can. Steamsh's	278	6½	6½	5½	6
29½	25½	2.50	9.3	Do. pref.	209	27½	28	26	27
7½	4½	40+10c	10½	Can. Vinegars	25	5½	4½	4½	4½
57	49½	4	8	Can. W. Cable.	....	(49½ bid 52 asked)			
24½	18½	1.25	...	Do. (B)	....	(18 bid 20 asked)			
108	105	6.50	6.1	Do. pref	....	(106 bid — asked)			
1.75	80	.	...	Can. Bakeries	....	1.25 bid 2.00 asked			
60	48½	▲7.50	...	Do. pref.	....	(50 bid 60 asked)			
154	125	8	6.2	Can. Bk. Com.	192	142	142	125	128
1.45	1.00	.	...	Can. Breweries	10	1.10	1.00	1.00	1.00
31	23	3.40	12.3	Do. pref.	70	28	27½	27	27
32	27½	1.50+50c	6½	Can. Bronze.	15	30	31	31	31
105½	105	5	4.8	Do. pref.	....	(105 bid — asked)			
6	4½	50c	9.5	Can. Canners	100	5½	5½	5½	5½
22	16	1+20c■	6.6	Do. 1st pfd.	120	18½	18½	18	18
9½	8	60+20c■	9½	Do. 2nd pfd.	159	8½	8½	8½	8½
7	4½	.	...	Can. Car & F'y	205	6½	6½	6½	6½
26	21½	1.75	...	Do. pref.	145	25½	25½	25	25½
27½	21½	1+1	8.7	Can. Celanese.	182	23½	23½	23	23
125½	120	7+1.15■	7	Do. pref.	10	121½	121½	121½	121½
23	22½	1	4.4	Do. Rights	....	(22 bid — asked)			
17½	15	2	13.3	Can. Convert.	....	(15 bid — asked)			
102½	100	4+2	6	Can. Cottons	....	(96 bid 102 asked)			
116	113	6	5.2	Do. pref.	7	115	115	115	115
14½	9½	.	...	Can. Dredge	75	11	12	12	12
100	98	6	6.1	Can. Fairb. pf.	10	99	99	99	99
18	15	‡1.90	...	Can. For. Inv.	440	17½	18	17½	18
105	105	8	7.6	Do. pref.	....	(105 bid — asked)			
215	208½	8	3.7	Can. Gen. Elec.	....	(151 bid 215 asked)			
7½	6½	50c	7.2	Can. G. Inv.	100	7	7	7	7
3½	3	10c	...	Can. Ind. Alc.	900	3½	3½	3½	3½
3½	2	10c	...	Do. (B)	239	3	3½	3	3
167	140	6	4.3	Can. Indust. B.	15	145	141	140	140
175	155	7	4.4	Do. pref.	....	(150 bid 158 asked)			
.30	.15	.	...	Can. Int. I. Tr.	....	(— bid .15 asked)			
40	39	2	...	Do. pref.	10	39	39	39	39
13½	12	1	7.4	Can. Lt. & Pr.	20	12½	13½	13½	13½
8	7	.	...	Can. Locomo.	....	(8½ bid 9½ asked)			
.60	.45	4c	...	Can. Marconi	....	(.50 bid .65 asked)			
15	10	50+70c	12	Can. Oil	....	(10½ bid 21 asked)			
123	115	8	6.9	Do. pref.	....	(100 bid 120 asked)			
6½	5	.	...	Can. Pacific	2712	5½	5½	5½	5½
.35	.10	.	...	C. Pr. & Pa. In.	....	(.15 bid .20 asked)			
1.50	.40	.	...	Do. pref.	....	1.25 bid 2.00 asked			
3½	2	.	...	Can. Vickers	....	(2½ bid 3½ asked)			
27½	20	.	...	Do. pref.	....	(23 bid 24½ asked)			
9½	9	1	...	C. Wallpaper A.	....	(9½ bid — asked)			
10	8	1	...	Do. (B)	....	(9 bid 13 asked)			
42½	40	2	5	Can. West'ho'se	....	(— bid 39½ asked)			
20	17½	1.50+37½▲	8	C. Wire Box	45	18	18	17½	17½
1.20	.90	.	...	Capital Estates.	....	(1.05 bid — asked)			
121	115	5	4.3	Carnation, pfd.	80	116½	116	115	115
6½	5	.	...	Catelli Food	....	(— bid 5½ asked)			
10	8	75c	...	Do. pref.	....	(— bid 10 asked)			
†2.00	1.50	.	...	Celtic Knit	....	(1.50 bid — asked)			
†155	145	8	5.5	Cent. Can. L'n.	....	(90 bid 130 asked)			
95	80	4	4.2	Chart. Trust	....	(— bid 93 asked)			
3½	2½	.	...	Ch. Gai Wines.	....	(2½ bid 3 asked)			
.12½	.05	.	...	Chem. Research	1200	.07	.07	.05	.07
.25	.20	.	...	City Gas & El.	....	(.15 bid .20 asked)			
.05	.05	.	...	Claude Neon	....	(— bid .05 asked)			
1.42	1.05	12c	...	Coast Brew	200	1.11	1.05	1.05	1.05
6½	5	50c	...	Cockshutt Plow	175	5½	6	5½	6
2.37	1.90	15c	...	Comm. Alcohol	....	(— bid 2½ asked)			
6½	5½	40c	6.9	Do. pref.	....	(6 bid 6½ asked)			
3½	3½	25c	...	Conduits Nat.	....	(3½ bid 4½ asked)			
10½	8½	60c	7	Cons. Bakeries.	566	9½	9½	8½	8½
.02	.01	.	...	Cons. Div. Sec.	....	(.01 bid .05 asked)			
7½	6	75c	...	Do. pref.	....	(5 bid — asked)			
3.37	1.55	.	...	Cons. Paper	1419	1.65	1.75	1.55	1.75
4	2	.	...	Cons. Press	....	(— bid 8 asked)			
81½	76	3.50	...	Cons. Sand, pf.	....	(75 bid 80 asked)			
39	34	1+1.50	7.3	Cons. Smelt.	1523	34½	34½	34	34
132	110	8	7	Consumers' Gas	43	113½	115	113	114
69	50	5.25	...	Corr. P. Box, p.	10	60	60	60	60
22	18	1.20+15c	6	Cosmos Imp.	....	(22½ bid 23½ asked)			
24½	20	2	9.7	Crown Cork	50	20	20½	20½	20½
1.50	1.25	.	...	Crown Dom Oil	....	(1.25 bid — asked)			
34½	27½	3	10.5	Crow's N. Coal.	30	28½	28½	28½	28½
.70	.35	.	...	Cub Aircraft	....	(.40 bid .50 asked)			
				D, E					
10½	9½	1+15c	...	David & Fre. A	....	(9 bid 10 asked)			
1.50	1.50	.	...	Do. (B)	....	(.75 bid 1.50 asked)			
7	7	.	...	de Havilland	....	(— bid 6½ asked)			
80	75	7+3.50▲	8½	Do. pref.	....	(66½ bid — asked)			
1.15	1.00	.	...	Disher Steel	....	(— bid 1.00 asked)			
10	8	1.50	...	Do. pref.	....	(8 bid 11½ asked)			
26½	21	2.22	9.4	Distill-Seagram	990	23½	23½	23½	23½
97½	90	5	5.5	Do. pref.	....	(86 bid 94 asked)			
†30	30	4	...	Dom. Ang. Inv.	....	(22 bid — asked)			
†75	70	5	6.7	Do. pref.	....	(75 bid 84 asked)			
191	150	10	6.7	Dom. Bank	10	169	150	150	150
24	22	1.20	5.2	Dom. Bridge	155	23	23	23	23
15½	10	.	...	Dom. Coal, pf.	170	10½	10½	10	10
25	16	.	...	Dom. Engineer.	....	(18 bid 23 asked)			
19	16½	1+25c	6½	Dom. Foundries	405	18½	18½	18	18
106½	103½	6	5.6	Do. pref.	....	(105 bid 110 asked)			
115	110	5	4.3	Dom. Glass	....	(113 bid — asked)			
[illegible]	150	7	4.6	Do. pref.	10	150	152	152	152
25	22	1.20+40c	7	Dom. Oilcloth.	330	22	22	22	22
.60	.50	.	...	Dom. Scot. Inv.	....	(— bid .40 asked)			
24½	21	2	...	Do. pref.	15	23	21	21	21
1½	1½	.	...	Dom. Square	....	(1½ bid — asked)			
9½	5½	.	...	Dom. St. & C.B.	860	8½	8½	8	8
5½	3½	10c	...	Dom. Stores	835	5	5	5	5
4½	3	.	...	Dom. Tar & Ch.	350	4½	4½	4	4
88	85	5.50	6.4	Do. pref.	50	88	86	86	86
82½	70	5	7.2	Dom. Textile	20	71	70	70	70
154	150	7	4.7	Do. pref.	....	(150 bid — asked)			
1.25	.60	.	...	Dom. Woollens.	....	1.10 bid 1.25 asked			
8	6½	60c	8.3	Do. pref.	100	7½	7½	7½	7½
4	2	‡10c	..	Donnacona P.	65	2½	2½	2½	2½
6	3½	.	...	Dryden Paper	25	4	4	4	4
†.50	.50	.	...	East Koot. Pr.	....	(— bid — asked)			
8	6	.	...	Do. pref.	....	(6 bid 9 asked)			
.50	.25	.	...	East Dairies	....	(.35 bid 1.00 asked)			
10	6½	.	...	Do. pref.	....	(6 bid 9 asked)			
12	10	1	...	East Steel	....	(11 bid 13 asked)			
6½	6½	.	...	East Theat.	....	(6 bid — asked)			
3	2½	.	...	Easy Washing	....	(3½ bid 3 asked)			
25	25	1.37½	...	Economic Inv.	....	(20 bid 25 asked)			
5	2½	.	...	Electrolux	5	3½	5	5	5
3½	2½	.	...	Enam. & Heat.	....	(2½ bid 2½ asked)			
29½	20	2.50	12.5	English Electric	....	(— bid 24 asked)			
3	1½	.	...	Do. (B)	....	(2½ bid 4 asked)			
5	4½	15c	...	Equitable Life.	....	(5½ bid 6 asked)			
				F, G					
2½	1½	.	...	Fairchild Air	190	2½	2½	2½	2½
19½	16	1	6.2	Fam. Players	....	(13 bid 17 asked)			
22½	15	1.50+25c	10	Fanny Farm.	365	17	17½	16½	16½
3½	2½	.	...	Fleet Aircraft	235	[illegible]	3	2½	2½
.20	.20	.	...	Fleury Bissell	....	(.20 bid .50 asked)			
10	10	.	...	Do. pref.	....	(10 bid 14 asked)			
18½	14½	1	5.6	Ford Motor A.	907	18	18½	17½	18½
18½	14½	1	5.7	Do. (B)	....	(17½ bid — asked)			
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16½	12	‡85+50c	...	Foundation Co.	10	12	12	12	12
13	7	.	...	Fraser Cos.	5	9½	9	9	9
13½	9	.	...	Do. Vot. Tr.	60	9	9	9	9
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
55	55	‡4.50	...	Do. pref.	....	(55 bid — asked)			
6½	4½	60c	9.5	Gatineau Pwr.	209	6	6½	6	6½
77½	61½	5	6.8	Do. pref.	28	74	73½	73	73
80	70	5.50	7.2	Do. 5½% pref.	15	75	80	76½	80
†1.25	.25	.	...	Do. Rights	....	(— bid .20 asked)			
6½	5	30c	...	Gen. St. Wares	80	5½	5½	5½	5½
92	85½	7+53c*	8½	Do. pref.	110	86	85½	85½	85½
60	31½	2.50+2.50	..	Goodyear Tire.	15	42½	43	43	43
50	39	2.50	5.1	Do. pref.	80	48	48	47½	49
†87	67	1	...	Gould Pumps	....	(— bid — asked)			
†4	2½	.	...	Gt. Lakes Pap.	....	(.50 bid 1.00 asked)			
†16	16	1.50	...	Do. pref.	....	(3 bid 18 asked)			
2½	1	.	...	Do. Vot. tr. c.	40	1½	1½	1½	1½
16½	11	1.50	...	Do. Vot. tr. p	20	12	12	12	12
4½	4	.	...	Gt. W. Saddlery	....	(3½ bid 4 asked)			
28	24	3	...	Do. pref.	....	(25 bid — asked)			
11½	10	60c	6	Greening Wire.	....	(10 bid 12½ asked)			
‡1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
3	2	.	...	Gurd, Chas.	....	(2½ bid 3 asked)			
70	.70	.	...	Do. pref.	....	(70 bid 75 asked)			
3½	2½	.	...	Gypsum, Lime.	250	3½	3½	2½	2½
				H, I					
14½	14½	1	...	Halifax Fire	....	(15 bid — asked)			
3½	2	.	...	Ham. Bridge	315	3½	3½	3½	3½
36	28	2	6.7	Ham. Cot., pf.	....	(— bid 34 asked)			
1.50	.65	.	...	Ham. U. Theat.	....	(.65 bid 1.40 asked)			
75	73	5	6.7	Do. pref.	11	73	75	75	75
3½	2½	20+10c	..	Harding Carpet	300	3	3	3	3
14	9½	‡50c	..	Hinde & Dauch	1000	12½	13	13	13
5	5	.	...	Holt Renfrew	....	(— bid — asked)			
65	40	.	...	Do. pref.	....	(— bid 70 asked)			
19	16	2	11.4	Honey Dew	....	(17½ bid 18 asked)			
14	9	.	...	H. Smith Pap.	200	9	9	9	9
100	96½	6	6.2	Do. pref.	....	(97 bid 98 asked)			
9½	3	.	...	Humberstone S	....	(4 bid 6 asked)			
8½	6½	.	...	Hunts (A)	....	(— bid 6 asked)			
8½	7	.	...	Do. (B)	....	(— bid 8 asked)			
55	46	4	8.7	Huron & E. Mt.	21	49	49	46	46
8	7	80c	..	Do. 20% pd.	....	(7½ bid 9½ asked)			
1.00	.75	.	...	Hydro Electric.	....	(.20 bid 1.00 asked)			
204	165	10	6	Imperial Bank.	30	170	172	165	167
†275	275	15	...	Imperial Life.	....	(— bid 275 asked)			
9½	7½	50c	5.6	Imperial Oil	3346	9	9½	8½	9
12½	9½	40+17½c	5½	Imperial Tob.	1525	10½	10½	10	10½
7½	6½	6%	4.5	Do. pref.	....	(6½ bid 7½ asked)			
8½	8½	50+10c	7	Imp. Varnish	15	..	8½	8½	8½
27½	27½	1.50	5.4	Do. pref.	30	27½	27½	27½	27½
9½	6½	.	...	Indust. Accept.	50	9	8½	8½	8½
25	22	3	...	Inter-City Bak.	....	(25½ bid 35 asked)			
†50	39	45	...	Inter'c Coal	....	(— bid — asked)			
‡120	120	8	...	Do. pref.	....	(— bid — asked)			
12½	10	1.50	13.6	Inter. Bronze	80	11	11	11	11
22½	20	1.50	6.7	Do. pref.	25	21½	22½	22½	22½
.25	.25	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
7½	5	.	...	Int. Metal Ind.	....	(5 bid — asked)			
99	85	6	6.5	Do. pref.	....	(90 bid — asked)			
92	90	6	6.7	Do. pref. A.	....	(— bid 90 asked)			
115	111	5	4.4	Int. Mill., pf.	....	(112 bid 115 asked)			
36½	29	2	6.7	Int. Nickel	1482	29½	30	29½	29½
157½	143	7	4.7	Do. pref.	....	(— bid — asked)			
1.50	1.05	.	...	Int. Paints	60	1.25	1.50	1.50	1.50
15	13	1+25c▲	7½	Do. pref.	288	13	13½	13½	13½
16	13½	.	...	Int. Pap. & P.	....	(— bid — asked)			
65	54½	5	9.2	Do. pref.	125	57½	54½	54½	54½
13½	11	1	7.6	Int. Pete.	1675	13½	13½	13	13
2½	2	.	...	Int. Power	5	2	2	2	2
90	85	7	8	Do. pref.	20	89	87½	87	87
•11½	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3½	.	...	Do. (B)	....	(— bid 4 asked)			
3½	2	.	...	Int. Util. (A)	....	(2½ bid 2½ asked)			
.15	.03	.	...	Do. (B)	....	(.02 bid .15 asked)			
				J, K, L					
†13	13	68c	...	Jam. Pub. Ser.	....	(— bid 12½ asked)			
115	100	7	7	Do. pref.	....	(100 bid — asked)			
8½	7	.	...	Kelvinator	....	(6½ bid 7 asked)			
10	5	.	...	L. St. John Pr.	....	(5½ bid 6 asked)			
17½	14½	1.20	7.5	Lake of Woods.	125	16½	16	16	16
118	113	7	6.1	Do. pref.	20	118	118	115	115
48	47	4	8.4	Landed Bank	....	(47½ bid 54 asked)			
12	8	70+30c	12.2	Lang, J. A.	40	9	9½	8½	9½
*3.50	2.50	.	...	Langley's	....	(— bid — asked)			
23	19½	2	...	Do. pref.	15	22	21	19½	20
10½	6½	80c	9.9	Laura Secord	450	8	8½	8	8
9½	8	.	...	Legare, pref.	....	(8 bid — asked)			
3	2½	10c	...	Levy Bros.	....	(2½ bid — asked)			
6½	5	.	...	Lindsay, C. W.	5	6½	6½	6½	6½
54	50	2	...	Do. pref.	....	(50 bid — asked)			
25½	19½	1+25c	6.1	Loblaw (A)	35	21	21	20½	21
23½	18½	1+25c	6.6	Do. (B)	285	19	19	18½	19
				M					
1.00	1.00	.	...	Mackenzie Air	....	(— bid — asked)			
2	½	.	...	Mackin. Steel	....	(— bid — asked)			
65	60	5	7.7	Do. pref.	....	(55 bid 75 asked)			
16	12½	25c	...	Maclaren Pr.	25	14	14	14	14
7	5	.	...	M. L. Gardens	....	(5 bid 8½ asked)			
6	4½	40c	8	Do. pref.	....	(5 bid 6 asked)			
3.00	1.50	.	...	Maple Leaf M.	325	1.90	1.80	1.75	1.75
5½	3	.	...	Do. pref.	25	5½	5½	5½	5½
15½	15	80+2½c	5	Maritime Tele.	....	(15½ bid — asked)			
17	17	70c	4.1	Do. pref.	....	(— bid 17 asked)			
†18	14½	.	...	Marcus Loew's.	....	(20 bid — asked)			
95	95	7	7.4	Do. pref.	....	(94 bid — asked)			
3½	2½	.	...	Massey-Harris	1894	3½	3½	3	3½
12½	10½	1.25	...	Do. pref.	595	11½	12	11½	11½
4½	2½	.	...	McColl Fron.	295	3	3½	3	3½
95	72½	6	8	Do. pref.	20	74	75	75	75
1	1	.	...	Melchers	125	1	1	1	1
6½	5½	60c	10	Do. pref.	463	6½	6½	6½	6½
3	2	.	...	Mercury Mills	1	3	2	2	2
44	44	2.50	5.7	Mitchell, J. S.	30	..	44	44	44
15	11½	1	...	Mitchell, Robt.	20	14½	13½	13½	13½
14	12½	80+40c	9½	Mod. Contain.	10	14	12½	12½	12½
†97	97½	5.50	5.6	Do. pref.	....	(— bid 95 asked)			
†2	1½	.	...	Monarch Knit.	....	(3 bid — asked)			
65	48	7	...	Do. pref.	30	56	56	56	56
67	67	4	5.9	Montreal Cot.	....	(65 bid — asked)			
117	111½	7	6	Do. pref.	5	117	117	117	117
1.00	.25	.	...	Mont. Is. Pr.	....	(.25 bid 1.00 asked)			
24	19½	1.50	7	Mont. L. & Pr.	1605	21½	21½	21½	21½
50½	49	.	...	Do. Notes	....	(49½ bid 49¾ asked)			
14	13	1.25	...	Montreal Loan	....	(13 bid — asked)			
.80	.70	.	...	Mtl. Refrig & S	....	(.75 bid — asked)			
15½	11½	1.25	...	Do. pref.	....	(15½ bid — asked)			
24½	20	*1.34	...	Montreal Tele.	....	(21½ bid — asked)			
20	12	.	...	Montreal Trams	10	20	16½	16½	16½
45	39½	2.22+66½	7	Moore Corp.	305	40½	40½	40	40
178	156	7	4.4	Do. pref. (A)	....	(160 bid 168 asked)			
265	235	7	2.9	Do. pref. (B)	15	238	240	240	240
.10	.10	.	...	Muirheads	....	(.10 bid .25 asked)			
1	1	.	...	Do. pref.	....	(2 bid 4 asked)			
				N, O					
26	23½	2	8.3	Nat. Breweries.	402	24½	24½	24	24
40	36	1.75	4.7	Do. pref.	20	38	37	37	37
7	4	40c	...	Nat. Grocers	100	6½	5½	5½	5½
26	24½	1.50	5.8	Do. pref.	....	(25½ bid 26 asked)			
9	8	.	...	N. Sew. Pipe A	....	(8½ bid 9½ asked)			
34½	27	2	6.9	Nat. Steel Car.	135	29	29	29	29
138	134	8	5.9	National Tr.	....	(132 bid 134 asked)			
‡9½	9½	60c	...	Neon Prod.	....	(— bid — asked)			
18	13	2	15.3	Niag. W. Weav.	55	13½	13	13	13
3½	2	.	...	Noorduyn Av.	....	(2 bid 3 asked)			
.55	.25	.	...	North Star Oil.	....	(— bid .80 asked)			
3½	2½	35c	12.7	Do. pref.	....	(2½ bid 3½ asked)			
87½	86	6	6.8	N. S. L. & Pr.	....	(— bid 91 asked)			
108½	105½	6	5.6	Do. pref.	....	(107 bid — asked)			
22	18½	1	5.4	Ogilvie Flour	215	19	19	18½	18½
155	151	7	4.6	Do. pref.	25	151½	151½	151½	151½
110	107½	5	4.6	Ontario Loan	....	(106 bid 109 asked)			
†3	3	.	...	Ont. Silknit	....	(— bid 2 asked)			
35	30	‡1½	...	Do. pref.	....	(30½ bid 38 asked)			
10	9	1	...	Do. Scripts	....	(7 bid — asked)			
10	10	1	10	Ont. Steel	....	(— bid 10 asked)			
†110	110	7	6.4	Do. pref.	....	(110 bid 115 asked)			
.60	.45	.	...	Orange Crush.	....	(.50 bid — asked)			
3	1½	.	...	Do. pref.	....	(1½ bid 2 asked)			
5	4	40c	...	Ott. Car Air	....	(— bid 6 asked)			
16	12	2	13.2	Ottawa El. Rly.	....	(15½ bid — asked)			
6	4	60c	12	Ott. L. H. & Pr	60	5	5	5	5
80	78	5	6.2	Do. pref.	....	(80 bid — asked)			
				P, Q, R					
†35	33	2c	..	Pacific Coyle	....	(— bid — asked)			
103	92	5	5.3	Page Hersey	56	93	94	92½	92½
5	5	.	...	Pantepec Oil	....	(4½ bid 6½ asked)			
30½	30½	4	...	Paton Mfg.	....	(30 bid — asked)			
†115	115	7	6.1	Do. pref.	....	(111 bid — asked)			
48	47	3	6.4	Penmans	....	(— bid 47 asked)			
124	120	6	5	Do. pref.	2	121	120	120	120
5	5	25c	...	People's Cr Sec	....	(4½ bid 5½ asked)			
14½	10	1	9.3	Photo Eng.	....	(10 bid 10½ asked)			
100½	96	7	7	Porto Rico Pr p	....	(98 bid — asked)			
4½	2½	30c	...	Power Corp.	280	4	4	3½	3½
85	73	6	7.2	Do. pref.	....	(83 bid — asked)			
33½	31	3	9.4	Do. 2nd pref.	....	(32 bid 33 asked)			
4½	3	.	...	Pressed Metals.	84	3½	3½	3½	3½
11	7½	.	...	Price Bros.	330	7½	7½	7½	7½
70	60	5.50	9.2	Do., pref.	....	(— bid 60 asked)			
6	4½	40c	6.7	Prov. Transport	....	(5 bid 6 asked)			
13	11	1	8.5	Quebec Power.	40	12	11½	11½	11½
4	4	.	...	Que. Telephone	....	(4 bid — asked)			
24	24	2	8.3	Real Estate L'n	....	(23 bid — asked)			
5	3	50c	...	Regent Knit	....	(4 bid 5 asked)			
21	15½	1.60	7.6	Do. pref.	....	(19 bid 21 asked)			
3½	3	.	...	Reliance Grain.	....	(3½ bid — asked)			
67	66	6.50	9.7	Do. pref.	....	(69½ bid 75 asked)			
24	17½	2	8.7	River S. Mill.	....	(18 bid 23 asked)			
8	5½	60c	10	Rolland Pap.	....	(6 bid 7 asked)			
94	90	6	6.6	Do. pref.	....	(90 bid 92 asked)			
155	140	8	5.7	Royal Bank	55	142	144	140	140
15½	12	80c	5.3	Russell Indust.	....	(13 bid 15 asked)			
150	130½	7	5.2	Do. pref.	....	135½ bid 140 asked			
				S					
106	103	5.50	5.2	Saguenay Pr. p	10	105	105	105	105
24½	24½	1	4.1	Sangamo	....	(23 bid — asked)			
8	6	.	...	Sarnia Br. (A)	....	(7 bid 9 asked)			
1.00	.75	.	...	Do. (B)	....	1.00 bid 1.75 asked			
..	..	1+50c	..	Scythes & Co.	....	(14½ bid 19½ asked)			
..	..	1.75	...	Do. pref.	....	(24½ bid — asked)			
14	12	90c	7	Shawinigan Pr.	1532	12½	13	12½	12½
13½	11	45c	...	Sher. Wms.	....	(8 bid — asked)			
115½	110	7	6.1	Do. pref.	....	(110 bid 115 asked)			
8½	6	40c	5	Silverwoods	50	8	8	7½	8
8	5½	40c	6.2	Do. pref.	75	7	6½	6½	6½
10	7	60+15c	10	Simon & Sons	....	(7½ bid 9 asked)			
105	105	7	6.7	Do. pref.	....	(100 bid — asked)			
7½	4	.	...	Simpson, A.	....	(3½ bid 4½ asked)			
2	1	.	...	Do. (B)	5	1	1½	1½	1½
89	66	6.50	9.3	Do. pref.	16	70	70	69	69
†135	132	6	4.4	Simpson, R., pf.	....	135½ bid 140 asked			
10½	8½	80c	8	So. Can. Pr.	....	(10 bid — asked)			
103½	99½	6	5.8	Do. pref.	16	103	103½	103	103
2.00	1.00	.	...	St. Law. Corp.	190	1.15	1.15	1.10	1.15
15½	10	1	10	Do. (A)	480	10½	10½	10	10
25	22	1.40+50c	8	St. Law Flour	20	23	24	24	24
122	115	7	5.7	Do. pref.	....	(115 bid — asked)			
43	24½	3	12	St. Law. Pap. p	255	24½	25	25	25
11	9	50c	...	Stan. Chem.	25	10	10	10	10
2	1	.	...	Stand. Clay	....	(1 bid 5 asked)			
.55	.25	.	...	St. Pav. & Mat.	150	.40	.50	.50	.50
5	4	31½c	...	Do. pref.	100	5	5	5	5
4	3	30c	...	Stand. Radio	220	3½	3½	3½	3½
20	13½	60+60c	9	Stedman Bros.	....	(15 bid 20 asked)			
63½	57	3	4.9	Steel of Can.	45	61½	61½	60½	61½
70½	64	3	4.4	Do. pref.	....	(68 bid — asked)			
3	3	.	...	Sterling Coal	....	(3 bid 5 asked)			
.25	.15	.	...	Stop & Shop.	....	(— bid .25 asked)			
13½	11½	80+50c■		Stuart, D.A., pf.	....	(— bid 12½ asked)			
§3½	2½	.	...	Supersilk H. A.	....	(— bid 2 asked)			
†3	2½	.	...	Do. (B)	....	(— bid 3 asked)			
65	57	5	7.7	Do. pref.	10	57	65	65	65
19	19	1+25c	6.6	Sup. Pete. ord.	....	(18½ bid 21½ asked)			
20	20	1+25c	6.2	Do. com.	....	(18½ bid 32 asked)			
				T, U, V					
11½	8½	80c	8	Tamblyn	10	10	10	10	10
52½	52½	2.50	4.8	Do. pref.	....	(52½ bid — asked)			
1.25	1.25	.	...	Thayers	....	(1.25 bid — asked)			
24	20	3.50	...	Do. pref.	....	(20 bid 35 asked)			
2½	1	.	...	Thrift Stores	5	2½	2½	2½	2½
14	10	.	...	Do. pref.	....	(14 bid — asked)			
8½	6	60c	10	Tip Top Tailors	45	6½	6	6	6
106	97	7	7.2	Do. pref.	....	(98 bid 100 asked)			
‡1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13½	12	.	...	Do. pref.	....	(13½ bid 20 asked)			
20	16½	1	5.9	Tor. Elevators.	....	(16 bid 18 asked)			
50	45	2.62½	5.8	Do. pref.	....	(45½ bid 48 asked)			
76	63	4	6.1	Tor. Gen. Tr.	29	65½	65½	65½	65½
84½	68	5	7.3	Toronto Mtge.	....	(— bid 68 asked)			
161	147	7	4.7	Tuckett Tob. p	12	150	150	150	150
3½	1	.	...	Twin City	....	(2½ bid — asked)			
28½	28½	3.50	...	Do. pref.	....	(31 bid — asked)			
10½	5½	80+20c	16	Union Gas	195	6½	6½	6½	6½
13	12½	80c	6.4	Un. Amuse. A.	72	13	12½	12½	12½
12½	12½	80c	6.4	Do. (B)	9	..	12½	12½	12½
1.20	.75	10c	...	United Distill	....	(1.00 bid — asked)			
36	29	3	10.2	United Fuel, pf.	50	30	29½	29	29
3½	2½	.	...	Do. (B) pref.	50	3½	3½	3½	3½
2½	½	.	...	United Secs.	....	(2 bid — asked)			
4½	2½	.	...	United Steel	145	3½	3½	3½	3½
3½	3	.	...	Viau Bisc.	....	(— bid — asked)			
52	48½	5	10.2	Do. pref.	....	(47 bid — asked)			
				W, Y, Z					
44	35	4	11.3	Wabasso Cot.	25	36½	35½	35½	35½
50½	40	4	9.3	Walker-Good.	1160	41½	43½	42	42½
21	18½	1	5.2	Do. pref.	45	18½	19	19	19
1.10	1.00	5c	...	Walkerville Br.	....	1.10 bid 1.15 asked			
136	136	7	5.2	W. Koot. Pr. p.	....	(135 bid — asked)			
1.20	1.00	.	...	West. C. Flour.	....	1.10 bid 1.25 asked			
29	18	.	...	Do. pref.	....	(25½ bid 28 asked)			
51	44	3+2	10.2	West Grocers.	....	(— bid 60 asked)			
111	109	7	6.3	Do. pref.	....	(110 bid 120 asked)			
‡15½	11½	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9½	80c	8.2	Weston Ltd.	105	10½	9½	9½	9½
94½	90	5	5.5	Do. pref.	....	(88 bid 90 asked)			
16½	14½	1	8.9	Wilsils	....	(— bid 15 asked)			
1.25	.65	.	...	Winnipeg El. A	171	1.15	1.25	1.15	1.25
1.20	.60	.	...	Do. (B)	30	1.15	1.15	1.10	1.15
12½	5½	.	...	Do. pref.	55	12½	12	12	12
80	68	7	10	Wood, A & J p	....	(— bid 72 asked)			
60	55	.	...	Woods Mfg. pf.	....	(— bid 60 asked)			
5	4	40c	...	York Knitting.	....	(4 bid 5½ asked)			
•100	100	7	...	Do. 1st pref.	....	(— bid — asked)			
12	10½	80c	6.7	Zellers	....	(11½ bid 12 asked)			
25	24½	1.50	6	Do. pref.	....	(24½ bid 25 asked)			

Quotations: †1941. § 1940. • 1939. * 1938.

▲ On account of arrears.

■ Participating. ‡ Paid in 1941.

* Net after corporate income tax paid in 1942 to date.

Mining Stocks

Week Ending July 27

Par Val.	Range 1942 High	Low	Company	Sales	Close July 20 (or last)	High for week	Low for week	Close July 27
			A					
No	.16½	.07½	Aldermac	2,350	.07½	.09	.07½	.07½
1	.00½	.00½	Amm. Gold	......	(.00½ bid .01 asked)			
No	2.55	1.75	Anglo-Huronian	100	2.00	2.01	2.01	2.01
No	.25	.20	Argus Interests	212	.20	.25	.25	.25
No	†.01	.01	Arno	......	(.... bid .01½ asked)			
1	.04½	.02	Ashley	2,000	.03	.03	.03	.03
1	.02	.01½	Astoria Quebec	......	(.... bid .02 asked)			
1	1.47	.85	Aunor Gold	7,017	1.05	1.10	1.05	1.05
			B					
1	.06	.02	Bagamac	......	(.04 bid .... asked)			
1	.05½	.02½	Bankfield	......	(.03 bid .03½ asked)			
No	.09½	.05½	Base Metals	2,000	.06	.06	.05½	.05½
1	.06½	.02½	Bear Exploration	6,500	.03½	.04½	.03½	.04
1	.94	.56	Beattie Gold	1,000	.58	.61	.60	.60
1	.08	.02½	Beaufor	1,500	.02½	.03	.03	.03
1	.65	.60	Berens River	......	(.35 bid .80 asked)			
1	.10	.04½	Bidgood Kirk	2,000	.05	.05½	.05	.05
1	.12½	.06	Bobjo	4,100	.09½	.10	.09½	.09
1	.32½	.08	Bonetal Gold	1,000	.08	.08	.08	.08
1	.03	.01½	Bouscadillac G.M.	......	(.01½ bid .02½ asked)			
No	9.30	5.95	Bralorne	280	6.05	6.25	6.10	6.10
1	*.03	.02½	Brasil Gold	......	(.... bid .02½ asked)			
1	.00½	.00½	Brett Trethewey	......	(.00½ bid .00½ asked)			
1	.61	.36	Broulan Porc.	7,000	.40	.39	.38	.38
1	2.80	.90	Buffalo Ankerite	1,650	1.43	1.41	1.01	1.15
No	.02½	.01	Buffalo Can.	......	(.01½ bid .02½ asked)			
5	12.50	5.00	Bulolo Gold	......	(.... bid 7.75 asked)			
No	.01½	.01	Bunker Hill	......	(.01 bid .... asked)			
			C					
1	*.11	.05	Camp Bird	......	(.01 bid .09 asked)			
No	.49	.23	Can. Malartic	200	.36	.35	.35	.35
1	1.72	1.00	Cariboo Gold	......	(.... bid 1.03 asked)			
1	.01	.00½	Cartier Malartic	......	(.00½ bid .... asked)			
1	.60	.45	Castle Trethewey	200	.57	.56	.56	.56
1	.05	.02	Cen. Cadillac	......	(.02 bid .03 asked)			
1	1.30	.75	Cen. Patricia	11,290	.80	.76	.75	.75
1	.10½	.05	Cen. Porcupine	1,200	.05	.05½	.05½	.05½
1	†.18½	.15	Century Mining	......	(.... bid .13½ asked)			
1	1.50	.60	Chesterville	1,700	.60	.63	.61	[illegible]
No	2.20	1.20	Chromium	......	(1.30 bid 1.95 asked)			
5	1.10	.50	Coast Copper	......	(.... bid 1.00 asked)			
1	.74	.46	Cochenour Willans	2,200	.62	.62	.59	.59
5	1.15	.75	Coniagas	315	.85	.85	.75	.75
No	.94	.60	Coniaurum	1,100	.65	.67	.60	.60
5	39.00	34.00	Cons. Smelters	1,523	34.63	34.87	34.00	34.00
			D, E					
1	.65	.26½	Delnite	1,000	.45	.52	.52	.52
1	.06	.02½	Denison Nickel	......	(.04½ bid .05½ asked)			
No	17.50	10.37	Dome Mines	1,725	13.50	13.75	13.25	13.25
1	.10	.02½	Duquesne	500	.03	.02½	.02½	.02½
1	2.24	1.05	East Malartic	16,880	1.25	1.25	1.05	1.07
1	.53	.32	Eldorado	2,300	.42	.47	.45	.47
			F, G					
No	3.60	2.30	Falconbridge	325	2.50	2.50	2.50	2.50
1	.02½	.01½	Federal	......	(.01½ bid .02 asked)			
No	.42½	.15	Francoeur Gold	100	.20	.20	.20	.20
1	.04	.01½	Gillies Lake	......	(.02½ bid .04 asked)			
1	.01	.00½	Glenora	......	(.00½ bid .01 asked)			
No	.20	.08	God's Lake	1,000	.10	.10	.10	.10
1	.11½	.06½	Goldale	100	.09½	.09½	.09½	.09½
50c.	.15	.13	Gold Belt	......	(.11 bid .... asked)			
1	.06½	.03½	Gold Eagle	200	.06½	.05½	.05½	.05½
1	.04½	.01	Golden Gate	......	(.01½ bid .02 asked)			
1	.00½	.00½	Goodfish	500	.00½	.00½	.00½	.00½
1	.01½	.01½	Graham Bousquet	......	(.01½ bid .02½ asked)			
No	.05	.03½	Grandora	......	(.04 bid .06 asked)			
1	.02	.01½	Grull Wihksne	......	(.01½ bid .02½ asked)			
1	.14	.07	Gunnar Gold	3,000	.07½	.07½	.07½	.07½
			H, I, J					
1	.03	.01½	Halcrow Swayze	400	.01½	.01½	.01½	[illegible]
1	.00½	.00½	Halliwell Gold	......	(.00½ bid .01½ asked)			
1	3.00	1.75	Hallnor Mines	386	1.75	1.90	1.75	[illegible]
1	.55	.32	Hard Rock	800	.35	.35	.34	[illegible]
1	.04½	.02	Harker	......	(.02 bid .02½ asked)			
1	.29	.25½	Hedley Mascot	......	(.... bid .23½ asked)			
5	10.50	6.65	Hollinger	2,504	7.45	7.40	7.20	[illegible]
1	.20	.13	Howey Gold	3,600	.15	.14½	.14	[illegible]
No	28.12	21.75	Hudson Bay	800	23.50	23.50	23.12	[illegible]
1	.31	.19	Inspiration	2,100	.30	.30	.30	[illegible]
No	36.25	29.00	Int. Nickel	1,482	29.75	30.00	29.50	[illegible]
50c.	*1.30	.85	Island Mountain	......	(.... bid 1.35 asked)			
1	.01½	.00½	Jacola	......	(.00½ bid .... asked)			
1	.20	.06	Jack Waite	700	.07	.07	.06	[illegible]
1	.29½	.12	Jason Mines	4,500	.15	.13	.12	[illegible]
1	.02½	.01	Jellicoe	......	(.01 bid .02 asked)			
1	.01½	.00½	J. M. Cons. Gold	......	(.00½ bid .01 asked)			
1	.03½	.01½	Joliet Quebec	......	(.01½ bid .02 asked)			
			K, L					
1	4.40	2.93	Kerr Addison	11,875	3.80	4.00	3.80	[illegible]
1	.22	.22	Kerr Lake	......	(.10 bid 1.00 asked)			
1	.05	.00½	Kirk. Gold Rand.	......	(.01½ bid .03½ asked)			
1	.26	.12	Kirk. Hud. Bay	......	(.18 bid .25 asked)			
1	.82	.40	Kirkland Lake	2,880	.42	.43	.41½	[illegible]
1	.59	.50	Lake Dufault	14,000	.....	.59	.50	[illegible]
1	12.00	6.75	Lake Shore	420	8.00	8.25	8.00	[illegible]
No	4.15	3.15	Lamaque Gold	450	3.75	3.30	3.25	[illegible]
1	.09	.04	Lapa Cadillac	4,550	.05	.05½	.04½	[illegible]
1	.01½	.00½	Label Oro	......	(.00½ bid .01½ asked)			
1	.60	.38½	Leitch Gold	5,000	.52	.54	.51	[illegible]
No	1.35	.75	Little Long Lac	335	.80	.83	.75	[illegible]
			M					
1	2.85	2.02	Macassa	2,791	2.10	2.15	2.05	[illegible]
1	1.68	1.05	MacLeod Cockshutt	825	1.18	1.20	1.16	[illegible]
1	.84	.30	Madsen Red Lake	2,200	.41	.42	.40	[illegible]
1	2.22	1.15	Malartic Gold	14,350	1.48	1.49	1.30	[illegible]
No	.00½	.00½	Man. & Eastern	......	(.00½ bid .00½ asked)			
1	.02	.01	Maralgo	......	(.01½ bid .04 asked)			
5	45.50	36.00	McIntyre	250	40.00	39.75	[illegible]	[illegible]
1	1.04	.50	McKenzie R.L.	4,900	.57	.57	[illegible]	[illegible]
1	.03	.01	McLellan Gold	......	(.01 bid .01½ asked)			
1	.05	.03	McVittie Graham	100	.04	.04	[illegible]	[illegible]
No	.10	.06½	McWatters	2,665	.08	.09½	[illegible]	[illegible]
5	†.20	.15	Mentor Exploration	......	(.... bid [illegible]			
No	1.40	.95	Mining Corp.	1,800	.96	.98	[illegible]	[illegible]
1	.30	.20	Moneta	1,760	.24½	.25	[illegible]	[illegible]
			N, O					
1	.23	.08½	Naybob	13,100	.10	.10½	.09½	.10½
1	.50	.31	Negus Mines	500	.34	.36	.36	.36
5	1.01	.75	Nipissing	400	.87	.87	.87	.87
No	52.00	41.00	Noranda	806	42.75	42.87	42.25	42.87
No	.25	.14	Nor. Canada	500	.20	.16	.16	.16
1	.04	.03	Norgold	......	(.02½ bid .04 asked)			
No	.90	.60	Normetals	......	.67	.69	.65	.68
1	*5.00	3.75	Northern Empire	4,304	(2.00 bid .... asked)			
1	.91	.48	O'Brien	7,300	.55	.54	.50	.53
1	.10	.05	Omega	53	.08	.05	.05	.05
1	.16	.06½	Ontario Nickel	120,200	.15½	.16	.14½	.14½
1	.06	.02	Osisko	......	(.02½ bid .03½ asked)			
			P, Q, R					
No	.90	.34½	Pamour	14,600	.36	.36	.34½	.35
1	.04	.02	Pandora	......	(.01 bid .03½ asked)			
1	.02	.01	Partanen Mal.	6,000	.01½	.01½	.01½	.01½
1	3.00	2.00	Pato Cons. G.	......	(2.10 bid 2.50 asked)			
1	.00½	.00½	Pawnee Kirk.	......	(.00½ bid .01 asked)			
1	.19	.10	Paymaster	3,000	.17	.17½	.15	.15
1	1.75	.85	Pend Oreille	2,175	.95	1.08	.96	1.00
1	1.35	.85	Perron Gold	1,050	.90	1.00	.85	.85
1	2.35	1.38	Pickle Crow	1,480	1.62	1.70	1.60	1.60
1	2.20	1.20	Pioneer Gold B.C.	1,140	1.35	1.34	1.30	1.30
1	5.25	4.25	Placer Devel.	100	5.00	5.25	5.25	5.25
1	.78	.40	Powell Rouyn	600	.45	.45	.44	.44
1	[illegible]	.35	Premier Gold	5,400	.40	.47	.44	.47
1	3.20	1.54	Preston E. Dome	6,800	1.65	1.65	1.56	1.58
No	.20	.15	Prospectors Air's	......	(.10 bid .20 asked)			
1	.25	.20	Quebec Gold	700	.20	.20	.20	.20
1	.39	.08	Queenston Gold	500	.15	.17	.17	.17
No	.06	.02	Quemont	......	(.05 bid .06 asked)			
No	.00½	.00½	Red Crest	......	(.... bid .03 asked)			
1	.45	.40	Reeves McDonald	......	(.... bid .... asked)			
1	.25	.02½	Reno Gold	2,000	.04	.04	.03½	.03½
1	.03	.02	Roche Long Lac	1,000	.02½	.02½	.02½	.02½
			S, T, U, V, W, Y					
1	2.05	1.35	San Antonio	3,343	1.45	1.60	1.50	1.51
1	.02½	.00½	Sand River	......	(.00½ bid .02 asked)			
1	.18	.09	Senator Rouyn	1,000	.15	.15	.15	.15
1	.01½	.01	Shawkey	1,800	.01	.01	.01	.01
50c.	.83	.65	Sheep Creek	......	(.67 bid .... asked)			.65
1	.98	.60	Sherritt Gordon	4,863	.63	.65	.60	
1	6.00	4.05	Sigma Mines	......	(4.35 bid 4.75 asked)			
1	.50	.28	Siscoe	3,325	.35	.36	.30	.30
1	.34	.17	Sladen Malartic	3,700	.22	.22	.20	.21
1	.06	.01	Slave Lake	14,000	.02	.02	.02	.02
1	.04	.01½	St. Anthony	......	(.01 bid .01½ asked)			
No	1.96	.87	Steep Rock	46,400	1.25	1.34	1.24	1.30
No	.01½	.00½	Straw Lake	......	(.01 bid .01½ asked)			
1	.13½	.08	Sturgeon River	2,000	.11	.10½	.10	.10½
No	1.70	1.10	Sudbury Basin	200	1.35	1.36	1.36	1.36
1	.02½	.01½	Sudbury Contact	......	(.01½ bid .... asked)			
1	.65	.48	Sullivan Cons.	2,300	.54	.57½	.54	.54
1	1.98	1.15	Sylvanite	1,300	1.35	1.32	1.30	1.32
1	2.34	1.50	Teck Hughes	2,950	1.50	1.56	1.50	1.52
1	.03½	.03	Temiskaming	......	(.03 bid .03½ asked)			
1	1.10	.75	Toburn Gold	......	(.... bid .80 asked)			
1	.13	.09	Towagmac	......	(.09 bid .10 asked)			
No	.50	.23	Trans. Resources	500	.25	.27	.27	.27
1	.05	.01	Uchi Gold	......	(.04 bid .... asked)			
	40.00	15.00	Uchi Bonds	......	(28.00 bid 33.00 asked)			
1	1.24	.59	Upper Canada	7,400	.72	.71	.69	.70
No	5.00	2.95	Ventures	415	3.80	3.95	3.80	3.80
No	4.80	4.00	Waite Amulet	839	4.20	4.25	4.15	4.25
1	.17	.08	Wendigo	5,200	.15	.15	.15	.15
1	.01½	.00½	Wiltsey Coghlan	......	(.01½ bid .... asked)			
1	.04	.01	Wood Cadillac	1,400	.02	.02	.01	.02
No	2.90	1.81	Wright-Hargreaves	3,970	2.01	2.05	2.00	2.05
No	.05	.02½	Ymir Girl	......	(.03½ bid .... asked)			

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close July 20 (or last)	High for week	Low for week	Close July 27
No	.10	.03	Acme Gas & Oil	350	.06	.04	.04	.04
1	.07½	.05	Alta. Pac. Cons.	......	(.06 bid .08 asked)			
1	.13	.08	Ajax	......	(.10½ bid .15 asked)			
No	.18	.18	Amalgamated	500	....	.18	.18	.18
No	.56	.32	Anglo Canadian	3,900	.43	.42	.40	.40
No	.29	.09	Br. Dominion	39,700	.13½	.15	.13	.15
No	.07	.04	Brown Oil	......	(.04 bid .04½ asked)			
No	1.20	.80	Calgary & Ed.	......	(.... bid .95 asked)			
1	.18	.11	Calmont	200	.13	.13	.13	.13
No	.22	.15	Commoil	......	(.13½ bid .18 asked)			
No	.30	.18	Common Pete	100	.18½	.18	.18	.18
No	.30	.12	Dalhousie	110	.16	.18	.18	.18
No	.17½	.02	Davies Pete	4,000	.12	.11½	.11	.11
No	.04	.02	East Crest	1,000	.02½	.02	.02	.02
No	.32	.32	Federated Pete	......	(.32 June 15)			
No	.85	.55	Foothills	......	(.... bid .80 asked)			
No	.01	.01	Grease Creek Pete	......	(.00½ bid .02 asked)			
No	†.08	.04	Hargal	......	(.... bid .... asked)			
No	.20	.07	High Sarcee	......	(.07 bid .10 asked)			
No	2.70	2.05	Home	8,420	2.33	2.33	2.25	2.25
1	.07	.02	Homestead O. & G.	......	(.02½ bid .02½ asked)			
1	.04	.02½	McD. Segur	300	.03½	.02½	.02½	.02½
1	.20	.13	Model	......	(.13 bid .16 asked)			
25c.	.04	.04	National Petroleum	......	(.04 bid .05 asked)			
1	.05	.02½	Nordon	......	(.... bid .05½ asked)			
No	.03	.01½	Oil Selections	......	(.02½ bid .03½ asked)			
No	.40	.22	Okalta	......	(.22 bid .30 asked)			
No	.04½	.02	Pacalta	48,500	.03½	.03½	.03	.03½
1	*.27	.15	Pacific Petroleum	......	(.... bid .... asked)			
No	.25	[illegible]	Petrol Oil & Gas	[illegible]	[illegible]			
No	19.75	16.25	Royalite	240	17.00	17.00	17.00	17.00
No	.05	.02½	South End	......	(.... bid .02½ asked)			
No	.17	.10	South West Pete	200	.10	.10	.10	.10
5	1.60	.70	Texas Can.	......	(.75 bid 1.00 asked)			
No	.04½	.03	United Oils	......	(.04 bid .05 asked)			
1	.13	.08½	Vermilata	......	(.... bid .09 asked)			
1	.22	.15	Vulcan	600	.15	.15	.15	.15

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close July 20 (or last)	High for week	Low for week	Close July 27
1	.05½	.03	Bayonne Cons.	......	(.... bid .03 asked)			
No	9.20	5.90	Bralorne	232	6.25	6.25	6.15	6.25
1	*.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.74	.97	Cariboo Gold	1,500	.97½	.99	.98	.98
No	.01	.00½	Dentonia	8,000	.01	.00½	.00½	.00½
No	.00½	.00½	Fairview Amal.	1,000	.00½	.00½	.00½	.00½
1	.20	.10	George Copper	......	(.15 bid .... asked)			
1	.06½	.04	Golconda	......	(.04 bid .05 asked)			
50c.	.18	.10	Gold Belt	2,000	.12	.12	.12	.12
50c.	.18	.11	Grandview	......	(.11 bid .12 asked)			
1	.03½	.01½	Grull Wihksne	......	(.01 bid .01½ asked)			
1	.35	.21	Hedley Mascot	1,000	.24	.24½	.21	.21
No	.00½	.00½	Home Gold	1,000	.00½	.00½	.00½	.00½
1	.01½	.01½	Indian Mines	......	(.01½ bid .01½ asked)			
50c.	1.06	.88	Island Mountain	300	.88	.90	.88	.88
1	.30	.28	Inter'l Coal	......	(.27 bid .34½ asked)			
50c.	.25	.15	Kootenay Belle	......	(.18 bid .20 asked)			
1	.20½	.18	McGillivray Creek	......	(.... bid .22 asked)			
No	.01	.00½	Minto Mines	......	(.00½ bid .01 asked)			
50c.	.02	.01	Nicola	2,000	.01½	.01½	[illegible]	[illegible]
1	.10	.08	Pacific Nickel	1,000	.08	.08	[illegible]	.08
1	1.75	1.00	Pend Oreille	......	(1.00 bid .... asked)			
1	2.15	1.16	Pioneer Gold	......	(1.25 bid 1.33 asked)			
No	.01½	.00½	Premier Border	......	(.00½ bid .01 asked)			
No	.60	.38	Premier Gold	......	(.42 bid .45 asked)			
No	.60	.26	Privateer Mines	3,500	.29	.29	.28	.28
1	.02	.01	Quatsino Copper	......	(.01½ bid .... asked)			
1	.50	.20	Reeves McDonald	......	(.20 bid .... asked)			
1	.23	.02	Reno Gold	......	(.03½ bid .04 asked)			
50c.	.00½	.00½	Salmon Gold	......	(.00½ May 18)			
50c.	.84	.61	Sheep Creek	2,550	.70	.70	.69	.69
1	.75	.50	Silbak Premier	......	(.61 bid .... asked)			
No	*.00½	.00½	Silvercrest	......	(.... bid .... asked)			
50c.	.10	.06	Surf Inlet	......	(.06 bid .... asked)			
No	.02	.02	Taylor Bridge	......	(.02 bid .04 asked)			
20c.	.02½	.01	Wellington	......	(.00½ bid .00½ asked)			
1	.04½	.02	Whitewater	1,000	.02	.02	.02	.02
No	.04	.04	Ymir Yankee Girl	......	(.01½ bid .03 asked)			

Oil Quotations

Par Val.	Range 1942 High	Low	Company	Sales	Close July 20 (or last)	High for week	Low for week	Close July 27
1	.07	.05	Alta. Pac. Cons.	......	(.06 bid .... asked)			
No	.55	.35	Anglo Canadian	3,900	.43	.44	.43	.43
No	.03	.02	Anaconda	......	(.02 bid .03½ asked)			
No	.25½	.19	Brit. Dominion	......	(.14½ bid .... asked)			
No	.04	.04	Brown Oil	......	(.... bid .... asked)			
No	1.17	.80	Calgary & Ed.	200	.94	.92	.90	.90
1	.17	.10	Calmont	500	.13	.14	.14	.14
1	.23	.14	Commoil	1,000	.14	.14	.14	.14
No	.28	.18	Commonwealth	200	.18	.20	.20	.20
No	.22	.12	Dalhousie	250	.15	.15	.15	.15
No	.16½	.12	Davies Pete	......	(.11 bid .... asked)			
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			

* Quotations for 1941; † 1940.

Winnipeg Stocks

(Transactions from July 20 to July 25)

	Sales	High for period	Low for period	Close July 25
Winnipeg River Tin	10,000	.01	.01	.01

Stocks Not Traded in During Week*

Beav. Lumber, c	[illegible]	Nor. C. Mtg. un	[illegible]
Beav. Lumber, p	[illegible]	Nor. Mtg. pt. pd.	[illegible]
Can. Indemnity	[illegible]	Nor. Trust	[illegible]
Cres. Cream.	[illegible]	Traders Bldg.	[illegible]
Dom. Envel. p	[illegible]	Unit. Grain	[illegible]
Fed. Grain	[illegible]	West. Grain, p.	[illegible]
Fed. Grain p	[illegible]	West. Steel p	[illegible]
Grouped Inv.	[illegible]		
Home Invest.	[illegible]		

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Indust.	Montreal Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
July 20	[illegible]	[illegible]	[illegible]	[illegible]
July 21	[illegible]	[illegible]	[illegible]	[illegible]
July 22	[illegible]	[illegible]	[illegible]	[illegible]
July 23	[illegible]	[illegible]	[illegible]	[illegible]
July 24	[illegible]	[illegible]	[illegible]	[illegible]
July 25	[illegible]	[illegible]	[illegible]	[illegible]

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

July 29, 1942

%	Due	Bid	Ask.	Approx. Yld.
	Dominion of Canada Bonds			
3	Oct. '42	100½	100½	.20
2½	June '43	100½	101½	1.06
3	Oct. '43	104	104½	1.35
2	June '44	100½	101½	1.44
1½	Sept. '44	99½	100½	1.30
2½	Jan. '44	100½	100½‡	b.75
4½	Oct. '44	105½	106½	1.65
2½	Nov. '44	101½	102½	1.58
a2½	Aug. '45	100½	‡100½	b1.80
4	Oct. '45	102½	103½	b1.61
2	Mar. '45	100½	101	1.63
2	Dec. '46	99½	99½	2.03
4½	Feb. '46	108½	108½	1.94
2½	Mar. '48	99½	100	2.25
3½	June '49	102½	103½	b2.38
3½	Oct. '49	102½	103	b2.12
3½	Nov. '51	102	102½	b2.83
3½	Feb. '52	102½	102½	▲2.90
5	May '52	101½	102½‡	b
4	Oct. '52	105½	106½	b2.74
a3	June '51	100½	100½	2.98
3	Oct. '52	99½	100½	2.99
3	June '55	99½	100	3.00
4½	Nov. '56	106½	107½	b2.71
a3	Mar. '54	99½	100½	3.05
4½	Nov. '57	107½	108½	b2.85
3	June '58	99½	100	3.03
4½	Nov. '58	108½	108½	b2.99
4½	Nov. '59	109½	109½	b3.02
a4	Oct. '60	106½	‡106½	b3.06
a3½	Jan. '61	99½	100½‡	3.20
3½	June '66	101½	101½	b3.10
a3e	Jan. '67	95½	96½	3.24
a3e	Nov. '68	95½	96½‡	3.22
†3	Perpet'l.	94	95	3.16
	Dominion Guarant'd Bonds			
	Can. Nat'l. Railways:			
2	Feb. '43	100½	100½	.99
2½	Jan. '46	100½	101½	1.89
3	May '44	102½	102½	1.45
3	Dec. '50	99½	100½	2.92
3	Jan. '59	*99	99½	3.03
*4½	Sept. '51	117½	118½	2.25
*4½	Feb. '58	118½	119½	2.80
4½	July '57	119	120	2.85
3	Feb. '53	99½	99½	3.03
4½	June '55	120	121	2.81
5	Feb. '54	118	118½	3.12
*5e	July '69	118	‡119	b2.30
*5e	Oct. '69	121½	122½	b2.39
*5e	Feb. '70	121½	122½	[illegible]
	Can. Nat. W. Ind. S. S.:			
*5	Mar. '55	121½	122½	2.88
	Grand Trunk Pacific Rly.:			
3	Jan. '62	100½	101½	2.90
	Provincial Gov't. Bonds			
	New Brunswick:			
3	Oct. '51	94	98	3.48
3½	Aug. '49	96	98	3.57
3½	June '56	96	98	3.68
c4	Nov. '47	106½	108½	b1.33
c4½	Apr. '61	108	110	3.76
c5	Jan. '60	110	112	4.06
	Nova Scotia:			
3	Jan. '52	98	99½	3.06
3½	June '56	99	100½	3.20
3½	Nov. '50	101½	102½	3.12
c4½	Sept. '52	112	114	b1.66
c4½	Nov. '60	113	115	3.46
c5	Mar. '60	118½	120½	3.40
	Ontario:			
2½	May '45	100	101	2.13
3	Apr. '48	100½	101½	b2.65
3	Nov. '50	99½	100½	b2.95
3½	Nov. '51	100½	101½	b3.02
3½	May '55	100½	101½	b3.10
*4	June '62	112	114	3.06
4½	June '50	109	110	3.05
*4½	Jan. '62	118	120½	3.09
5	Oct. '48	110	111	3.05
*5	Dec. '60	123	125	3.20
5½	July '46	109	110	2.83
	Ont. Hydro Commission:			
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100½	101½	b3.06
3½	Apr. '47	102½	104	2.63
	Prince Edward Island:			
4	Mar. '54	101½	103	3.63
	Quebec:			
3	Nov. '47	98½	99½	3.15
3½	Mar. '48	98½	99½	3.30
3½	Mar. '59	98½	99½	3.54
4	Nov. '52	102½	103½	b3.52
3½	Feb. '55	100½	101½	b3.57
4½	Aug. '58	105½	107½	3.63
4½	Jan. '63	110	112	3.66
	Alberta:			
4½	Oct. '51	73	..	d
4½	Oct. '56	70½	74	d
4	Dec. '54	68½	72	d
*5	Oct. '59	71½	76	d
c5½	Apr. '52	73½	77	d
6	Mar. '47	74½	78	d
	British Columbia:			
c4	Dec. '57	101	...	...
*4½	Jan. '51	105½	108½	3.35
c4½	Oct. '53	108	111	3.34
c5	Apr. '54	112½	...	...
5½	Feb. '45	103½	105½	3.27
6	Feb. '47	108½	110½	3.43
	Manitoba:			
c4	Dec. '57	99½	101½	2.87
c4½	Dec. '56	101	103	4.22
*5	Dec. '59	104	107	4.42
5½	Oct. '55	106	109	4.60
6	Apr. '47	105	108	4.12
	Saskatchewan:			
4	Sept. '54	80	83	5.95
4	Nov. '60	79	81	5.62
c4½	Oct. '51	89	91½	5.70
c4½	Mar. '60	86	88½	5.52
5	Aug. '58	87½	90½	5.92
5½	Oct. '52	93	96	6.02
6	Mar. '52	95	98	6.27

*—Payable Can., N.Y. and £. b—Calculated to call date giving lowest possible yield. a—Payable Can. & N.Y. c—Payable N.Y. †—Callable on or after Sept. 15, 1966. d—Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e—Callable at a premium. ‡—N.Y. funds. ▲—Calculated to 1950 average maturity. ■—Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

July 28, 1942

	Bid	Ask.
Industrials:		
Acme Farm., pf.	49	52
Andian National	25½	28½
Anglo C. Tel., A	6½	7½
Atlas Steels, p.	105½	107
Do., com.	21	22½
Brant. Roof.	2½	3½
B. C. Pulp. c.	9½	10½
Do., pfd.	60	64
B. C. Sugar	63½	66
Brown, com.	1½	1½
Do., pfd.	21	22
Burns & Co., A	2½	3½
Do., B	½	1½
Can. Co-op. Wl.	8½	9
Can. Indust., A	140	144
Can. Gen. Rub. p	..	24
Can. Airways	1½	1½
Can. Ing. Rand	66½	69
Can. Mach., c.	8½	10½
C. P. R., pref.	1½	2½
Can. Mot. L.A.	5½	6½
Can. Tube, c.	4½	6½
Do., 1st pf.	101½	104
Chase, A. W. un.	18½	20
Colonial Realty	2½	..
Cap. W. Cloth p	19½	23
Colonial Steam.	45	48
Corr. Pap. Box c	1½	2½
Dairy Corp., p.	7½	10
Dover Ind.	6½	8½
Dunlop T. p $25	15	16½
Easy Wash. p $10	9½	10½
Galt Brass, c.	10½	12
Goderich Elev.	7½	7½
Guard. Realty, p	14	16
Guelph Carp., c.	16½	17½
Gurney Fdry., p	1½	1½
Hayes Steel, c.	11½	12½
Inglis, John	5½	7½
Kingst. Ship., c.	9½	12
Loblaw, Inc., c.	12½	12½
Minn.&Ont. P. c.	3½	3½
M'row Screw, p.	102½	105
Do., com.	15½	16½
Morrison Br. un	5½	7
Nat. Hosiery. p.	½	1½
Do., com.	½	½
Neilson, Wm., p.	102	106
N. Meth. Ldy. p.	70½	75
Ont. Tobacco, p.	18½	19½
Prov. Paper, pf.	98	99½
Ruddy, pfd.	5	7½
St. J. Dry D., p.	99½	101½
Stand. Fuel, p.	49½	51
Stedman, pf. $50	57	59
Sutton Horsley	½	½
Tor. Carpet, c.	64	..
Do., pfd.	70½	73
Un. F. Co-op.	3	3½
Un. Steel, A pf	23½	24
Viceroy Mfg. pf.	20	22½
Waterloo Mfg.	½	1½
Windsor H.	2½	3
Trust & Loan Stocks:		
Brit. Mtge.	127½	131
Brockville Tr.	43½	46
Comm. Fin., c.	4½	5½
Guaranty Trust.	100	102
Guelph & O. $50	50½	53
Indust. Mtge.	25½	29
Lambton Loan	33	35½
Lon. & W. Tr.	30	33
Midland Loan	14½	15½
Premier Trust	26	30
Sherbrooke Tr.	120	..
Sterling Trust	50½	51½
Th. Can. Inv. Tr.	1½	1½
Traders Fin. A c	3½	4½
Do., A pfd.	48	49½
Trusts & Guar.	30½	33
Victoria Trust	66½	69
Waterloo Trust	100½	102
Insurance Stocks:		
Canada Life	362	370
Brit. Amer.	50½	52
Canadian Fire	76	79
Confed. 30% pd.	129	135
Continental L.	30½	35
Dominion Fire	133½	143
D. of Can. Gen.	115	119
Empire, 25% pd.	4½	5
Excelsior 40% pd	68½	71
Great-West Life	206	211
Halifax Fire	15½	16
Imperial Life	262	270
Manufac. Life	218	221
Monarch Life	33	35
National Life	7½	9½
Sov. L. 25% pd.	11½	13½
Sun Life	216	228
Tor. General	4½	5½
Western Assce.	36½	38
Western Life	9½	10½
Theatre Stocks:		
Allen's, St. Cath. units	52½	55
Do., Toronto p	32½	35½
Loew's London p	5½	7½
Manaf. Theat., p	31	32½
Invest. Trust Shares:		
Inv. Found. un.	40	41½
Sec's. Hold., pf.	18½	19½
United Corp., A	21½	22½
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas p	105½	107
Gt. Lakes Pr., p	101½	104½
Int. Util., $1.75 p	6½	9½
Do., $3.50 pf.	27½	31
Mtl. Isl. Pwr., p.	41	..
Nor. Ont. Pr. p.	73½	76½

Unlisted Mines

Toronto, July 28, 1942

	Bid	Ask
Albany R (Old)	.01	.03
(New)	.06	.08
Amal Kirk	.03½	.04½
Anoki	.01	.03
Aquarius	.12	.17
Arjon	.02½	.03½
Armistice	.02½	.06
Argosy	.03	..
Area	.06	.08
Arntfield	.00½	.01½
Athona (New)	.00½	.01½
Barb Lard	.01½	.03
Brock	.03	.04
Clifton C	.08	.10
Can Rad	.06	.07½
Central M	.01½	.02
Cheminis	.02	.03
Clonmel	1.45	1.50
Columbi'e	.19	.21
Cons Chib	.03	.05
Delpine	.02	.05
Desantis (New)	.03	.04
Dona Pat	.00½	.01½
Eastward	.05	.10
Elmos	.03	.06
Franco	.13	.18
Galore	.00½	.01½
Goodrock	.35	.37
Hayes Cad	.01½	.02½
Hoyle new	.05	.06
Hugh PaP	.01½	.03
Kirk Gate	.00½	.01½
Kir Town	.04	.07½
Lacoma	.00½	.01½
Laguerre	.04	.05
Lake Gen	.09	.11
Lw Pete	.12	.17
Magnet C	.24	.26
Magnet L	.07	..
Martin Bir	.02	.03
Mata Can	.02	.04
Mata Con	.10	.15
McMar'ac	.05	.07½
Mof Hal n	.01	.02
Mosher	.05	.06
McManus	.00½	.01½
Nat Mal	.10	.12
Nickel O	1.35	1.60
Norbeau	.17	.20
New Ribago	.00½	.01
Numalake	..	.12
Oklend	.02	.03
O'Leary M	.01½	.02½
Opemiska	.10	.15
Orpit	.02	.02½
Pascalis	.12	.15
Pontiac R (Old)	.03	..
Pelangio	.01	.02
Polaris	.00½	.01½
Proprie'y	3.85	4.10
Presdor	.02	.02½
Queb Mn	.26	.28
Rand Mal	.09	.10
Red Lake	.00½	.02
Ritoria	.01½	.02
Rouge	.00½	.02
Ranchmen	.30	.41
Republic	.15	.17
S.A.G.A.	..	.35
Sachigo	5.00	5.50
Sheldon	.03	.04
Skynner	..	.02
Springer	.10	.12
Tombill	.10	.12
Thomson	.07	.08½
Union Mn	.02	.04
Wesley	.00½	.01½
Y David'n	.19	.21

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 28, 1942

Public Utility Issues:	Int. Rate %	Due	Bid July 28	Asked	Bid July 21
▲Alg. Cen. H.B.R.	5	'59	22	24	22½
†Assoc. Tel. & T.	5½	'55	67	70	66½
B. C. Power	4½	'60	99	101	99
B. C. Tel.	4½	'61	105½	107½	106
†Calgary Pwr.	5	'60	109	111	109
Do.	5	'64	104½	107½	104½
†Can. Nor. Pwr.	5	'53	101	103½	101
*Dom. Gas & El.	6½	'45	102½	105	103
Gatineau Pwr.	3	'49	99½	101½	100
*Do., A	3½	'69	102	104	100½
▲Do., B	3½	'69	100	102	100
Gt. Lakes Pwr.	4½	'56	101	103	101
Do.	5	'57	98½	101	98½
*Int. Hydro-El.	6	'44	31½	34½	34
▲Inter. Power	6	'55	100½	102½	100½
L. St. Law. Pwr.	5	'55	100	102½	100
Macl'n-Que. Pr.	4	'59	100	102	100
Mtl. L. H. & Pr.	3½	'56	103	105	103
Do.	3½	'73	101	103	101
Do.	3½	'63	101½	103½	101½
†Mtl. Tramways	5	'51	101½	103½	101½
†Do.	5	'55	81	84	81½
Nat. Lt. & Pwr.	6	'49	101½	104	101½
N. S. Lt. Pr.	4	'57	101½	103½	101½
Ottawa L.H.&P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'57	101½	103½	101
†Power Corp.	4½	'59	93	96	92
Quebec Pwr.	4	'62	103	105	103
*Saguenay P.	4½	'66	108½	110½	108
▲Do., B	4½	'66	107	109	107
St. Maurice Pr.	4½	'70	104	106	104
Shaw. W. & Pr.	4½	'61	103½	105½	103
Do.	4	'69	103	105	103
Union Gas	4½	'50	97	100	97½
*Twin C. R. Tr.	5½	'52	83	86	83
†United Secs.	5½	'52	92½	95½	93
‡Wpg. El. ser. A.	5	'65	84	87	85½
Do., B	5	'65	71	74	72½
Industrial and Realty Issues:					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$10.64	$10.66	$8.75
Hogs	15.99	15.82	14.90
Copper, lb.	*.12	.12	.12
Cotton, lb.	.1994	.2014	.1770
Sugar, raw, lb.	*.0374	.0374	.0355
Wheat, Man. (bu.)	.81⅛	.80⅝	.73⅛
Coffee, lb.	*.09¾	.09⅜	.09
Hides	*.15½	.15½	.15
Weekly Indices			
U. S. Labor	98.3	98.5	88.8
Wood, Gundy	77.2	77.3	75.3
Dow Jones (fut.)	85.22	85.29	76.83
Fishers	108.4	108.2	95.9
Monthly Indices			
Canada (D.B.S.):			
Retail (June)†	116.7	116.1	110.5
W'sale (June)	95.8	95.2	90.1
U. S. (Apr.)	98.8	97.6	83.2
Gt. Brit. (Apr.)	159.6	158.8	150.9

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic. New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid July 28	Asked	Bid July 21
Montreal Apts.	4	'54	50	53	50
Nat. Grocers	4	'47	*101½	..	101½
N. S. Stl. Coal	3½	'63	82	85	82
Price Bros.	5	'57	92	95	92
Do.	4	'57	..	87	..
*Prov. Paper	5½	'47	104½	107½	104½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Municipal Bonds

July 28, 1942

	Due	Bid	Ask.	Yld.
Halifax	[illegible]	[illegible]	[illegible]	[illegible]
Hamilton	[illegible]	[illegible]	[illegible]	[illegible]
Montreal	[illegible]	[illegible]	[illegible]	[illegible]
Ottawa	[illegible]	[illegible]	[illegible]	[illegible]
Quebec	[illegible]	[illegible]	[illegible]	[illegible]
Saint John	[illegible]	[illegible]	[illegible]	[illegible]
Toronto	[illegible]	[illegible]	[illegible]	[illegible]
Vancouver	[illegible]	[illegible]	[illegible]	[illegible]
Winnipeg	[illegible]	[illegible]	[illegible]	[illegible]

Investment Trusts

	Bid	Asked
Affiliated Funds	[illegible]	[illegible]
Can. Inv. Fund	[illegible]	[illegible]
Corp. Investors	[illegible]	[illegible]
Trans-Canada	[illegible]	[illegible]

Public Utility Earnings

Brazilian Traction

[illegible]

Annual Meetings

1942	Company	Place
July 31	Brown Oil Corp.	Calgary
Aug. 5	Quebec Gold Mining	Montreal
Aug. 3	Hudson's Bay	London, Eng.
Aug. 26	Unit. Cig. Wh. Strs.	Wilmington
Sept. 10	United Securities*	Montreal

*Bondholders.

Mining Dividends

	Rate	July 27	Yield %
Anglo-Huronian	20c	2.01	..
Argus Interests	†4c	.25	..
Aunor Gold	16c	1.05	15.2
Bayonne	†1c	.03½	..
Beattie Gold	10c	.60	..
Berens River	6c	.65	..
Bralorne	80c+40c	6.10	*19.7
Broulan Porc.	12c	.38	..
Buffalo Ankerite	▪30c	1.15	..
Bulolo Gold	$3	8.00	..
Can. Malartic	3c	.35	..
Cariboo Gold	16c+1c	.98	*17.3
Central Patricia	16c+2c	.75	*24
Chesterville	▪15c	.63	..
Cochenour Willans	6c	.59	10.2
Coniagas	10c	.75	..
Coniaurum	‡10c	.60	..
Cons. Smelters	$1+$1.50	34.00	*7.3
Delnite	6c	.52	..
Dome Mines	$1.60	13.25	12.1
East Malartic	‡5c	1.07	..
Francoeur Gold	▪4c	.20	..
Goldale Mines	2c	.09½	..
Gold Belt	2c	.12	..
Grandview	2c	.11	..
Grull Wihksne	†.00½c	.01½	..
Hallnor	40c	1.90	21
Hard Rock	3c	.34	..
Hedley Mascot	8c	.21	..
Hollinger	65c	7.30	8.9
Howey Gold	2c	.14	..
Hudson Bay	$2	23.25	8.6
Inter. Nickel, com.	$2	29.75	6.7
Island Mountain	8c	.88	..
Jason	▪4c	.12	..
Kerr-Addison	‡22c	3.85	..
Kerr Lake	▪5c	.50	..
Kirkland Lake	8c	.41½	..
Lamaque Gold	‡30+25c	3.30	..
Lake Shore	80c	8.25	9.7
Leitch	8c	.52	15.4
Little Long Lac	‡10c	.75	..
Macassa	32c+3c	2.10	*16.6
Madsen R. Lake	3c	.42	..
Malartic Gold	▪10c	1.30	..
McGillivray Coal	1c	.10¼	..
McKenzie Red L.	12c	.57	.21
Moneta	8c	.25	..
McIntyre-Porc.	$2.22+$1.11	39.75	*8.3
MacLeod-Cockshutt	10c	1.17	..
Negus	2½c	.36	..
Nipissing	15c	.87	..
Noranda	$4	42.87	9.4
North Empire	‡10c	3.75	..
O'Brien Gold	3c	.53	..
Pamour Porc.	▪12c	.35	..
Pato Cons.	‡25c	2.00	..
Paymaster Cons.	2c	.15	..
Pend Oreille	▪6c	1.00	..
Perron Gold	16c+1c	.85	*19.9
Pioneer, B. C.	32c	1.30	..
Pickle Crow	30c	1.60	18.7
Placer Develop.	25c	5.25	..
Premier	8c	.47	17
Preston E. Dome	20c	1.58	12.6
Privateer Mines	12c+1c	.28	..
Quebec Gold	▪2c	.20	..
Reno Gold	20c	.03½	..
San Antonio	14c+6c	1.51	*12.1
Sheep Creek	16c+4c	.69	*28.9
Sherritt Gordon	10c	.65	..
Sigma Mines	20c	4.25	..
Silbak Premier	16c	.50	..
Siscoe	‡5c	.30	..
Sturgeon River	2c	.10½	..
Sudbury Basin	2½c	1.36	..
Sullivan Cons.	‡6c	.54	..
Surf Inlet	▪2c	.06	..
Sylvanite Gold	20c	1.32	15.2
Teck-Hughes	40c	1.52	26.2
Toburn	12c+2c	.75	*18.7
Upper Canada	‡5½	.70	..
Ventures	20c	3.80	..
Waite Amulet	40c	4.25	..
Wendigo	3c	.15	..
Wright Harg.	40c	2.05	19.5

▪Paid in 1941. *Yield including bonus. †Initial. ‡Paid in 1942 to date.

Supplementary Bond Quotations

(Supplied by Plaxton, Cherry & McDonnell, Toronto)

Month-end Close, and Changes from Previous Month-end

July 28, 1942

Miscel. Corp. Utility & Realty Bonds:	Bid	Ask.	Chge.
‡Adel.-Peter, 6½%/48	25½	27½	—½
*Adel.-Sheppard, 7%/48	23½	25	—½
†Albert-Bay, 6½%/42	60½	63	+1½
Alexandra Apts., 3%/55	52	55	—1½
*Alex. Bldg., 6%/47	36½	40½	+½
Ancroft Place, 4%/56	46	48	—½
*Annandale C. 6½% ser.	34½	..	+½
*Balfour Bldg., 3%/43	46	48	—½
*Bay-Adelaide, 6½%/47	20	24	unch
*Bay-Cumberl'd, 6½%/44	18½	21	+½
Bay-St. Albans, 4%/53	51½	54½	unch
Beach Fdry., 6%/45	82	87	+1
‡Bloor-St. G. Rlty. 7%/46	44½	46½	+½
Bowater Nfld., 5%/68	93½	95½	+½
Do., 4½%/68	90½	95	+½
Brantford Roof., 5%/59	80½	84½	+½
Canada Dairies 5%/61	61½	..	+½
Can. Machinery, 5%/54	98½	101½	+½
Do., 6%/55	97½	99½	+½
Cities Heating, 4½%/55	92	95	unch
‡Clarendon Apts. 7%/46	23½	26	—½
‡Clarendon Props. 7%/47	23½	26	—½
Dom. Square, 4%/59	58	61	—3
Econ. Inv., 5%/57	98	102	—½
Ellis Park, 4½%/45	59½	61½	+½
Fed. Foundries, 5½%/50	..	82	—7
Gen. Brock Hotel 3%/54	37	40	—1½
Gleneagles Inv., 5%/44	54½	56½	+½
Godfrey Realty, 4%/52	53	56	+2
Gt. Brit. & Can. 4½%/59	67½	..	+½
Gt. West. Saddl'y 6%/48	104½	..	unch
Keefer Rlty., 5%/55	25½	28	+½
*King Ed. Hotel, 7%/44	23½	25	+16½
Lombard Rlty., 2½%/51	26½	28½	+½
*London Realty, 6½%/50	97½	100	+½
Lord Nelson Htl., 4%/47	45	47½	—2
Mayor Bldg., 3%/42	55	57	—½
Moodie, J. R., 6%/48	97½	101	+½
Nat. Utilities, 6%/48	53	57	—½
Ont. Building, 3%/43	40½	43	+½
Pac. P. & Water, 5%/57	95	..	+½
Prince Ed. Hotel 4%/47	36	..	+3½
*Prof. Offices, 7%/33-45	59½	62½	+½
*Richmond-Bay, 6½%/47	95½	98½	+½
*Richmond Bldg., 7%/47	9	12	unch
*Rio Tramways, 5%/58	83	87	—½
Royal Ex. Bldg., 6%/48	52	..	+½
St. Cath. Stanley, 5%/57	59½	63	—½
Stand. Clay, 6%/42	68½	..	+½
*Stanley Rlty., 7%/45	3	..	+½
Stavely Apts., 2½%/49	63	67	—½
‡St. Exch. Bldg., Vanc., 6%/44	39	42	—1
‡Trinity Bldg., 4%/52	8½	10½	+½
200 St. Clair W. 4½%/58	52	55	+½
*Vanc. Georgia T. 6%/47	53	..	unch
‡Wel'nton Bldg. 6½% ser.	56	59	—1
*Wind. Court Apt. 6%/42	35	38	—½
*York Adelaide, 7%/45	9½	11½	+½
York St. Bldgs., 6%/43	78	84	—½

†Payable U. S. funds and Can. funds.
*Issue carries arrears of interest.
‡Currently paying on int. arrears.
¹Sterling. ▪Payable U.S. funds only.

Dividends Declared

	This payment	Date payable	Date of record
Anglo-Can. Oil	▪4c	Aug. 10	Aug. 1
Anglo-Can. Tele. p	68¾c	Aug. 1	July 15
Agnew Surpass	40+20c	Sept. 1	Aug. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Ault & Wiborg, p	$1.37½	Aug. 1	July 15
Aunor Gold	4c	Sept. 1	Aug. 15
Bk. of Montreal	$2	Sept. 1	July 31
Bk. Can. Nationale	$2	Sept. 1	Aug. 15
Beattie Gold	3c	Sept. 9	Aug. 12
Bk. of Toronto	$2.50	Sept. 1	Aug. 15
Bertram & Sons	15c	Aug. 15	July 31
Do., extra	5c	Aug. 15	July 31
Beatty Bros., 1st p.	$1.50	Aug. 1	July 15
Bathurst Power, A	25c	Sept. 1	Aug. 7
Blue Ribbon, pfd.	62½c	Aug. 1	July 22
Calgary Power, p.	$1.50	Aug. 1	July 15
Canada Starch, pf.	▪$3.50	Aug. 15	Aug. 8
Caldwell Linen, 1st p	38c	Aug. 1	July 15
Do., 2nd pref.	20c	Aug. 1	July 15
Can. Wire & C., A	$1	Sept. 15	Aug. 31
Do., B	25c	Sept. 15	Aug. 31
Do., pref.	$1.62½	Sept. 15	Aug. 31
Can. South. Rly.	$1.50	Aug. 1	June 30
Can. Pac. Rly., pfd.	2%	Aug. 1	June 30
Confederation Life	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Can. Bk. of Comm.	$2	Aug. 1	June 30
Corr. Pap. Box pf.	$1.75	[illegible]	Aug. 15
Can. Bronze	37½c	Aug. 1	July 10
Do., pref.	[illegible]	Aug. 1	July 10
Canadian Oil, c.	25c	Aug. 15	Aug. 1
Can. Wallpaper, A B	$1	Aug. 10	July 31
Can. For. Invest., pf.	▪$2	Oct. 1	Aug. 15
Can. Investors	10c	Aug. 1	July 18
Coast Breweries	3c	Aug. 1	July 15
Can. Vinegars	10c	Sep. 1	Aug. 15
Can. Bakeries, p.	$1.25	Sep. 1	Aug. 18
Crown Cork	50c	Aug. 15	July 31
Commoil	.00½	Aug. 25	Aug. 15
Conduits Nat.	15c	Aug. 8	July 31
Coniaurum M.	3c	Sept. 9	Aug. 14
Cosmos Imp.	30c	Aug. 15	July 31
Can. Inv. Fd., sp. ord.	4c	Aug. 1	July 15
Dom. Ang. Inv., pf.	$1.25	Sept. 1	Aug. 15
Dom. Bridge	30c	Aug. 25	July 31
Dom. Scot. Inv., pfd.	50c	Sept. 1	Aug. 20
Dominion Stores	▪10c	Aug. 20	Aug. 8
Dominion Tar, p.	$1.37½	Aug. 1	July 31
Dom. Found., pf.	$1.50	Sept. 1	Aug. 20
Distillers Seag., pf.	$1.25	Aug. 1	July 15
Dominion Bank	$2.50	Aug. 1	July 15
Granby Cons.	▪15c	Sept. 1	Aug. 14
Grandview Mines	1c	Aug. 1	July 1
Hallnor Mines	10c	Sept. 1	Aug. 15
Hydro El. Secs., B p	20c	Aug. 1	July 15
Honey Dew	50c	Oct. 1	Sept. 15
Hedley Mascot	2c	Aug. 15	July 23
Hudson's Bay	3+*2%	Aug. 14	July 22
Hollinger Cons.	5c	Aug. 12	July 29
Inter. Nickel, pfd.	†$1.75	Aug. 1	July 2
Inter. Metal, p A & p	$1.50	Aug. 1	July 15
Imperial Bank	$2	Aug. 1	June 30
Inter. Util. pr. pf.	†87½c	Aug. 1	July 21
Inter. Holdings	50c	Aug. 1	July 15

Old Crop Deliveries at High Level

Exceed Expectations While Prospects for New Harvest Brilliant

From Our Own Correspondent

WINNIPEG.—Deliveries of old crop wheat by farmers have been unexpectedly heavy during the last 10 days. Total for the crop year is now believed near 220 million bushels which was the limit set by the government for the crop year.

Until recently, it was supposed that the small crop of 1941 would not give farmers more than 200 million bushels to dispose of, but farmers swept their bins clean, mindful of the fact that old crop deliveries after July 31 were forbidden by wheat board regulations.

Delay in deliveries was partly accounted for by desire to hold some wheat as long as possible, and profit, either by any rise in price that might occur, or by payment for farm storage on wheat delivered to the Canadian wheat board. It was also due to some cautious desire to make reasonably sure that seed and feed requirements from the new crop were reasonably well assured. That caution is no longer needed, now that practically every farmer is reasonably confident that he is going to have a good crop.

"Brilliant" Prospects

Prospects for the new crop continue to be brilliant. Whether its full possibilities will be realized will depend upon ripening weather that will permit a late crop to be matured without damage from frost, upon possible damage from wheat stem saw fly in certain areas being minimized by weather conditions, and upon damage from leaf rust not being severe.

In some areas, too, a certain amount of additional moisture is necessary to allow heads to fill as completely as possible.

A great deal of damage can still be done, and yet leave the West with considerably more than 400 million bushels of wheat. The total quantity which farmers are to be allowed to deliver during the new crop year is 280 million bushels. Only a major calamity can prevent farmers from having more than that quantity of wheat to deliver.

Oats and Barley

As to oats and barley, it would seem practically certain that western production will far outrun western needs for livestock feeding, plus all that can possibly be absorbed in eastern Canada or on the Pacific coast. Just how much of these grains farmers will wish to sell is difficult to judge from past experience. If surplus wheat production is great, it is probable that much unsaleable wheat will be fed to livestock, in order to release coarse grains for sale.

Farmers, it must be remembered, were guaranteed fairly substantial prices for these grains, with no limitation on quantity. Limitation of capacity of elevators might make it impossible for the Dominion Government to implement its guarantees within the crop year, except for the understanding with the United States with respect to shipment of Canadian feed grains across the border.

U. S. Agreement

The exact terms of that understanding have not been made clear to the public. Canada undertook to let the U. S. have all feed grains that could be spared, and it is presumed that the U. S. Government is bound to take all the surplus not required in Canada.

To bring about a satisfactory flow across the border, either the duties on such grains will have to be modified, or the American Government will have to become a purchaser, reselling the Canadian grain to the farmers. Whichever method is adopted should be made effective as early as possible after harvest commences. Otherwise elevators will be congested with coarse grains, and farmers will have to wait a considerable time for the guarantee of prices to be made good for much of their crop.

In the U. S. a large part of the bumper winter wheat crop has been cut, and, as is the case in Canada, crops of spring seeded grain promise to be large. If any great need for Canadian feed grains is going to develop, it will hardly be at an early date, but rather after many months, when home supplies have been used.

Export Outlook

On the other hand, although the export of 100 or 200 million bushels of grain to the United States would represent a great relief to the Canadian situation, such a quantity is not large as compared with a production of feed grains south of the border which will run to 4,000 million bushels or more. If duties on feed grains are reduced by executive order to 50% of statutory duties, which is apparently the extent of the authority vested in the President, it is possible that a flow of Canadian oats and barley across the border could take place without any great disturbance of the price structure there.

The problem of the flow of coarse grains to the United States will have to be solved before the market can function satisfactorily in the new crop year. In that respect it corresponds with the problem of furnishing wheat for domestic milling in Canada, whether the millers will go to the open market for supplies, or will be given wheat by the Canadian Wheat Board at less than cost.

Expect Bonus Problem From 90-cent Wheat

By STAFF WRITER

OTTAWA.—Behind the screen of the Aug. 1 deadline for subsidizing Canadian millers and feed distributors under the new 90-cent wheat price, there's a great deal of argument as to how much the bonus will be, how it will be paid, and who will get it.

As announced some months ago in Parliament, some form of subsidy must be paid to Canadian millers after Aug. 1 to enable them to continue to sell flour within the price ceiling on and after the new 90-cent wheat price goes into effect.

The October wheat future is now quoted at 90 cents—the price which millers will have to pay for new wheat, unless some other arrangement is made. According to the record, the price of wheat at the time the price ceiling was introduced last year, was approximately 78 cents.

But there are a lot of bitterly controversial points to be settled before an "appropriate" price can be fixed—the question of carrying charges, for example.

Subsidy Cost

The flour subsidy would be on the basis of 45 to 50 million bushels—indicating a treasury cost of perhaps $5 or $6 millions if the top 12-cent bonus is agreed on.

Having decided the amount of the bonus there is the vexed question of how it shall be paid. Shall the millers buy wheat in the market and be reimbursed by the Treasury? Or shall the matter be handled by the Wheat Board? Decision on these and other points had not been reached at mid-week but will have to be decided before the Aug. 1 deadline.

Another highly controversial question is the problem of how far the subsidy will extend and in what form, in so far as wheat for feed is concerned. It is feared that unless very careful checks and controls are worked out, it would be easy for wheat to be obtained at the subsidized price once subsidies are introduced in this field.

Discussions held between Treasury, Wheat Board and W. P. T. B. officials here recently are still continuing.

Bread Prices

Unless a solution is reached as to how the increased cost of wheat will be absorbed, a rise of ½ cent a loaf in the price of bread may be necessary. The additional $5 or $6 millions wheat cost which would have to be born by millers and bakers is almost identical with the processing tax which the government attempted to impose on millers a year ago. This had to be withdrawn when it was found the tax was greater than the aggregate profits of the industry.

The millers are said to be no more able to absorb an increase in wheat prices today than they were to absorb the processing tax.

The Wheat Board could continue to sell to the millers on the present price structure, provided the government recompenses it for the loss.

If that is not done the government may bonus the milling industry, or the W. P. T. B. may permit flour and bread prices to rise.

Millers' Position

There are few industries in which the cost goes up so rapidly with reduced volume as in milling. Labor costs are a small item in manufacturing costs.

Over the last year the millers have been keenly competitive for domestic business. Flour has been selling under the ceiling, due to the heavy export demand, which kept costs to a minimum.

Rising Costs Seen

Within the last few weeks export business has fallen off sharply. Prospects are far from promising and the millers expect a sharp rise in production costs during the coming crop year.

The immediate trend is for flour prices to rise to the ceiling.

Had export business continued at the recent high level, keeping production costs to a minimum, the millers might have been in a position to hold down part of the advance in costs resulting from the new wheat price. That prospect has gone out of the window.

Dividends Declared (Cont'd)

	This payment	Date payable	Date of record
Kerr Addison	5c	Aug. 28	Aug. 11
Leitch Gold	2c	Aug. 15	July 31
Langley's, pfd.	▪50c	Sept. 11	Sept. 2
Do.	▪50c	Dec. 11	Dec. 2
Lamaque Gold	10c	Oct. 1	Sept. 10
Do., bonus	15c	Oct. 1	Sept. 10
Loblaw Groc., A B	25c	Sept. 1	Aug. 10
Loblaw Inc.	†25c	Sept. 1	Aug. 14
Massey-Harris, p.	62½c	Sept. 15	Sept. 1
Montreal Loan	31¼c	Sept. 15	Aug. 31
McIntyre Porc.	55½c	Sept. 1	Aug. 1
Nat. Biscuit, c. pf.	†$1.75	Aug. 31	Aug. 14
Noranda Mines	$1	Sept. 15	Aug. 20
N. B. Telephone	13c	July 15	June 30
Paton Mfg.	$1	Sep. 15	Aug. 31
Do., pref.	$1.75	Sep. 15	Aug. 31
Photo Engravers	50c	Sept. 1	Aug. 15
Pickle Crow G.	10c	Aug. 31	Aug. 15
Paymaster Cons.	▪1c	Aug. 15	Aug. 1
Do.	▪1c	Jan. 15 '43	Dec. 31
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Privateer Mine	3c	Aug. 10	July 28
Proprietary M.	5c	Aug. 29	Aug. 15
Prov. Transport	20c	Aug. 15	Aug. 5
Quebec Power	25c	Aug. 25	July 22
Royal Bank	$2	Sept. 1	July 31
Regent Knit., c.	25c	Sept. 15	Aug. 31
Regent Knitting pfd	‡40c	Sept. 1	Aug. 15
Rolland Paper	15c	Aug. 15	Aug. 5
Do., pref.	$1.50	Sept. 1	Aug. 15
Shawinigan W. Pr.	23c	Aug. 25	July 24
Simpsons, pref.	$1.62½	Aug. 1	July 18
Saguenay Pr., p.	$1.37½	Aug. 1	July 15
South Can. Pr., com.	20c	Aug. 15	July 20
Sher.-Williams, ord.	15c	Aug. 1	July 16
Steel of Can.	75c	Aug. 1	July 7
Do., pref.	75c	Aug. 1	July 7
St. Law. Flour	35c	Aug. 1	July 20
Do., pref.	$1.75	Aug. 1	July 20
Siscoe Gold	1½c	Sept. 15	Aug. 12
Teck Hughes	10c	Oct. 1	Sept. 10
Twin City, pfd.	†$3.50	Aug. 21	Aug. 7
Toburn Gold	3c	Aug. 22	July 22
United Corp., A	38c	Aug. 15	July 15
United Fuel, pf. A	75c	Oct. 1	Sept. 10
Un. Grain Growers, A	$1	Sept. 15	July 31
Do., B	25c	Sept. 15	July 31
Ventures	▪5c	Sept. 25	Aug. 17
Waite Amulet	10c	Sept. 10	Aug. 18
Weston, Geo., pfd.	$1.25	Aug. 1	July 15
Wood, A & J, pfd.	$1.75	Aug. 1	July 15
York Knitting	20c	Aug. 15	Aug. 6
Do., 1st pref.	$3.50	Aug. 15	Aug. 6
Do., 2nd pref.	$3.50	Aug. 15	Aug. 6
Zellers	20c	Aug. 1	July 15
Do., pref.	37½c	Aug. 1	July 15

†Payable in U. S. funds.
▪Subject to approval of Foreign Exchange Control Board.
‡Also 40c payable Dec. 1.
*Distribution from land sales; not subject to income tax.

Canada's Bacon Trade Favored

Holds Chances of Retaining Post-War U. K. Market Are Good

Canada has a better chance of retaining command of the British bacon market than following the last war, in the opinion of G. R. Patterson, Animal Products Trade Commissioner in London.

He points out that, due to elimination of competing sources of supply, principally Denmark, Canada is now supplying about 67% of all the bacon consumed in the United Kingdom. He claims that satisfaction is expressed by the British consumer with Canadian products in spite of the wartime shipping problem, which interferes with regular deliveries.

During the last war, he claims, when Canada also ranked first as the United Kingdom's supplier, too little attention was paid to quality. The result was that after the war the British trade and consumer welcomed the return of Danish products.

Against Heavier Hogs

Mr. Patterson disagrees with those who advocate some increase in the weight of hogs delivered to the Canadian packing plants for processing and shipment as bacon to the United Kingdom. His contention is that hogs finished at around 200 to 220 lb. live weight supply the best type of bacon for the British market and that this is important in considering post-war retention of Canada's trade.

National Steel Car Executive Changes

Following the death of R. J. Magor, National Steel Car Corp. announces that Hugh N. Baird has been elected Chairman and Chief Executive Officer, while Robert S. Hart has been appointed president. Both men formerly occupied the position of vice-presidents.

It is also announced that A. Van Hassel, of New York, who was associated with Mr. Magor for many years as president of the Magor Car Corp., New York City, has been elected a director and vice-president.

O. H. Anderson, chief engineer of the corporation at Hamilton, since 1920, has been made a vice-president.

Atlas Plant Extension's new president is to be J. R. Read, who is also president of Canadian Westinghouse Co. Atlas Plant Extension is a crown company incorporated to administer the government's interests in the facilities to produce alloy steel at the plant of Atlas Steels Ltd. F. W. Grant, who is resigning the presidency of Atlas Plant Extension due to ill health, is head of Hamilton Bridge Co. and Canadian Dredge & Dock Co.

Canada's Top Civilian Body

These Are the People on National War Finance Committee

Following is the membership of the National War Finance Committee, top civilian planning and organizing body.

G. W. SPINNEY, chairman, national committee;
A. E. ARSCOTT, member, executive committee, chairman, Ontario committee;
R. D. BAKER, vice-chairman, Manitoba committee;
D. K. BALDWIN, asst. chairman, national committee, member, management committee;
G. E. BARBOUR, Saint John, N.B.;
DE GASPE BEAUBIEN, Montreal;
HON. F. PHILIPPE BRAIS, K.C., member, executive committee, jt. chairman, Quebec committee;
C. H. BRANCHAUD, jt. chairman, Quebec committee;
F. J. BRENNAN, vice-chairman, New Brunswick committee;
R. MURRAY BRINK, vice-chairman, B. C. committee;
JOHN BURNS, Calgary;
H. E. COCHRAN, asst. chairman, national committee, member, management committee;
PAT CONROY, Ottawa;
ARTHUR CROSS, Montreal;
J. A. D'AOUST, Ottawa;
W. H. V. DUNBAR, vice-president, P. E. I. committee;
HON. C. A. DUNNING, Montreal;
H. M. E. EVANS, vice-chairman, Alberta committee;
C. E. GRAVEL, Montreal;
J. H. GUNDY, Toronto;
H. L. GUY, Waterloo, Ont.;
H. H. HANNAM, Toronto;
MRS. EDGAR D. HARDY, Ottawa;
E. T. HIGGS, Charlottetown;
W. M. HOUSTON, vice-chairman, Saskatchewan committee;
I. W. KILLAM, Montreal;
JOHN KNOX, Timmins;
GEORGE KIDD, associate chairman, B. C. committee;
R. V. LESUEUR, vice-chairman, Ontario committee;
E. A. MACNUTT, member, executive committee, joint chairman, Quebec committee;
W. I. MACDOUGALL, vice-chairman, Nova Scotia committee;
E. W. MACKINNON, member, executive committee, chairman, P. E. I. committee;
D. LAWRENCE MACLAREN, member, executive committee, chairman, New Brunswick committee;
HON. F. B. McCURDY, member, executive committee, chairman, Nova Scotia committee;
E. C. McDONALD, Ottawa;
C. B. McKEE, Saskatchewan;
D. I. McLEOD, Toronto;
D. B. MANSUR, Ottawa;
W. C. MAINWARING, associate chairman, B. C. committee;
H. R. MILNER, K.C., asst. chairman, national committee, member, management committee;
A. N. MITCHELL, Toronto;
W. K. McKEAN, Halifax;
A. J. NESBITT, jt. vice-chairman, Quebec committee;
F. E. OSBORNE, chairman, Alberta committee, member, executive committee, Calgary;
HON. E. L. PATENAUDE, jt. chairman, Quebec committee, Montreal;
W. J. PARKER, Winnipeg;
C. S. ROBERTSON, Toronto;
H. E. SELLERS, member, executive committee, chairman, Manitoba committee;
W. H. SOMERVILLE, Waterloo, Ont.;
CHRIS. SPENCER, associate chairman, British Columbia committee, Vancouver;
CHAS. ST. PIERRE, Montreal;
E. H. TANNER, vice-chairman, Alta. committee;
E. J. TARR, K.C., vice-chairman, Manitoba committee, Winnipeg;
AUSTIN C. TAYLOR, member, executive committee, chairman, British Columbia committee;
HON. L. A. TASCHEREAU, K.C., jt. chairman, Quebec committee;
H. R. TUDHOPE, vice-chairman, Ontario committee, Toronto;
A. F. WHITE, Toronto;
RT. HON. SIR THOMAS WHITE, K.C., C.M.G., G.C.M.G., P.C., Toronto;
D. B. DINGLE, secretary, national committee, Toronto.

Lake Sulphite Pulp distribution was authorized when F. H. Barlow, Master of the Ontario Supreme Court, passed the accounts of G. S. Currie, receiver and liquidator. Secured creditors receive a proportionate share of $475,000 in debentures of Brompton Pulp & Paper Co., purchaser of the assets, and unsecured creditors get $50,000 in cash to divide.

Deliveries to Tax Grain Facilities

Country Stocks Will Show Continual Rise Until Storage Filled

Deliveries of grain to country elevators are now 207.5 million bushels compared with 445.5 at this time last year. In the last two weeks they have totalled 11 millions.

Railways have limited loading in the country to a minimum because lakehead storage facilities are almost plugged and 5,000 cars on track await unloading. As a result wheat in country storage was at its lowest a week ago, 127.7 millions. Country stocks increased a million bushels in the last week, and, according to Parrish & Heimbecker Ltd. of Winnipeg, will likely show a continual rise until all storage space is filled in western Canada. Following is an estimate of the storage position in Canada at present:

	Elevator Capacity (000 bu.)	Stocks all grains July 17 (000 bu.)	% Cap. Filled
Country eleva.	307,065	131,180	42.7
Other elev. west of Ft. Wm./P.A.	59,495	47,084	79.0
Ft. Wm./Port A.	144,545	130,709	90.4
East of Fort Wm./Pt. Arth.	90,085	64,033	71.1
Total capacity	*601,191	373,008	62.0

* Gross Capacity—The net working capacity is probably 50 million less. During the 1940-41 season, the peak of the visible was reached on Jan. 24 with 516,722,680 bus. of grain in store. Deducting in transit, afloat and stocks in U. S. positions, elevators in Canada were filled to 86.8% of tht total capacity.

The figures indicate that grain-handling facilities of Canada will be taxed early in the new harvest season to keep the flow of various grains moving. Coarse grains have been somewhat easier lately because of the encouraging crop outlook in eastern Canada and a uniformly promising condition in the west.

Cdn. Malartic's Profit Higher

Largest Tonnage of Ore in History Treated During June Quarter

A slight increase in operating profit—$106,201 against $105,460—was realized by Canadian Malartic Gold Mines in the June quarter compared with the initial quarter of the year.

The operating profit was over $20,000 higher than in the June quarter of 1941.

During the June, 1942, quarter, $372,467 was recovered from 95,064 tons of ore milled. This compared with $371,619 from 85,323 tons the preceding quarter. The tonnage of ore milled in the June quarter was the highest in history and was equal to 1,045 tons of ore a day.

Grade of ore treated in the June quarter was slightly lower at 0.116 oz. Operating costs, however, were $2.42 a ton, a reduction of 27 cents per ton. This reduction in costs was due in part to increased tonnage, but was also a result of reduction in the number of employees below that required for maintaining a satisfactory mining position.

Extension of the 701 drift for about 700 ft. to the east from the 708 ore body showed an ore drift length of 48 ft. which averaged 0.20 oz. over drift width. This occurrence is new and is to be explored by diamond drilling.

On the 2nd level about 1,500 ft. east of No. 1 shaft, an additional ore length of 100 ft. has been opened up averaging 0.19 oz. gold over a width of 19.7 ft.

Company Reports

Canada Bread

By reducing the number of products sold by 60%, Canada Bread Co. showed a reduction in sugar consumption of one third during the quarter ended June 30, 1942, C. H. Carlisle, president, states in the annual report. This reduction compares with the 20% cut actually ordered by the Sugar Controller. During the same period a 20% reduction in gasoline consumption by the company's vehicles was reported. This reduction was made voluntarily inasmuch as gasoline for commercial vehicles was not restricted during this period.

During the past year the number of employees has been reduced from 2,044 to 1,876. By consolidation and elimination the number of routes has been reduced by 86.

Mr. Carlisle notes that bread is being sold today at pre-war prices. Regardless of much higher ingredient, labor and maintenance costs, the price of bread remains at the level set two years before the fixed ceiling price was set.

During the year the company paid off its bonded indebtedness.

Income and Surplus Account
Years Ended June 30

	1942 $	1941 $
Operating profit	561,948	494,021
Add: Int. on investa.	2,589	5,063
Total earnings	564,537	499,084
Less: Depreciation	256,429	226,586
Interest	2,643	32,323
Inc. & E. P. taxes	122,000	95,000
Prem. red. bonds	......	147
Net profit	183,465	145,028
Less: Pref. divds.	137,500	125,000
Surplus for year	45,965	20,028
Add: Prev. surp.	499,107	479,079
Earned surp. forward	545,072	499,107
Earned per Share:		
Pref.: Class A	$15.19	$11.60
Paid	5.00	5.00
Common	0.23	0.10

Working Capital

	$	$
Current assets	642,228	840,379
Current liabilities	506,708	510,620
Working capital	135,520	329,759

Balance Sheet Changes

	$	$
Cash	160,187	139,915
Accounts receivable	176,256	203,372
Inventories	305,784	347,092
Funded debt	......	528,700
Fixed assets	5,196,890	5,112,455
Less: Depreciation	2,930,646	2,753,789

Wheat Prices

Winnipeg Grain Futures

Week to July 27, 1942

Crop year from Aug. 1, 1941 High	Low		High for week	Low for week	Close July 27
		Wheat			
.82½	.77½	July	.81½	.80⅞	.81⅛
.90	.90	Oct.	.90	.90	.90
		Oats			
.51¾	.42½	July	.51½	.51½	.51½
.50½	.46	Oct.	.47⅞	.47¼	.47⅞
.48	.45½	Dec.	.46⅞	.46¼	.46⅞
		Barley			
.64¾	.55½	July	.64¾	.61	.61
.63¾	.57	Oct.	.61¾	.61½	.61⅝
.61½	.60¾	Dec.	.61⅝	.61¼	.61¼
		Rye			
[illegible]	.54½	July	.56½	[illegible]	[illegible]
[illegible]	.56¾	Oct.	.56	[illegible]	[illegible]

Cash Quotations

	For Week July 27 High	Low	Prev. Week High	Low
Wheat:				
1 Hard	.81⅛	.80⅝	.80⅞	.80¾
1 Nor.	.81⅛	.80⅝	.80⅞	.80¾
2 Nor.	.78⅛	.77⅞	.77⅞	.77¾
3 Nor.	.74¾	.74⅝	.74⅝	.74½
4 Nor.	.72⅛	.71⅞	.71⅞	.71¾
5 Wheat	.70⅝	.70⅜	.70⅜	.70¼
6 Wheat	.68⅝	.68⅜	.69¼	.68¾
Feed	.66⅛	.65⅞	.65⅞	.65¾
Oats:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley:				
1 Feed	.60¾	.56⅞	.64¾	.61¾
2 Feed	.59¼	.54⅞	.62¾	.61¼
Rye:				
2 C. W.	[illegible]	[illegible]	[illegible]	[illegible]

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DIVIDEND NOTICES

DOMINION BRIDGE COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the Outstanding No Par Value Shares of this Company for the Quarter ending 31st July, 1942, payable 25th August, 1942, to Shareholders of record at the close of business on the 31st July, 1942.

By Order of the Board,
F. W. EVENS,
Secretary.

Montreal, Que.,
28th July, 1942.

CONIAURUM MINES LIMITED

25 King Street West, Toronto

DIVIDEND NO. 30

NOTICE IS HEREBY GIVEN that a dividend of 3 cents per share has been declared by the Directors of Coniaurum Mines Limited, payable in Canadian funds on September 9th, 1942, to shareholders of record August 14th, 1942.

By Order of the Board.
H. WHITTINGHAM,
Secretary-Treasurer.

July 24th, 1942.

WAITE AMULET MINES, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Ten Cents (10c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES, LIMITED, payable September 10, 1942, to shareholders of record at the close of business August 18, 1942.

By order of the Board.
J. B. BRADFIELD,
Secretary.

Toronto, Ont.,
July 28, 1942.

DIVIDEND NOTICES

LOBLAW GROCETERIAS CO. LIMITED

NOTICE is hereby given that a quarterly dividend of 25 cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share on the Class "B" shares of the Company have been declared for the quarter ending August 31st, 1942, payable on the 1st day of September, 1942, to shareholders of record at the close of business on the 10th day of August, 1942. The transfer books will not be closed. Payment will be made in Canadian funds.

By Order of the Board.
R. G. MEECH,
Secretary.

Toronto, July 23rd, 1942.

SISCOE GOLD MINES LIMITED

NOTICE OF DIVIDEND NO. 43

Notice is hereby given that a dividend of One and One-Half Cents (1½c) per share on the issued Capital Stock of Siscoe Gold Mines, Limited, has been declared payable on September 15th, 1942, to shareholders of record at the close of business on the 12th day of August 1942.

By Order of the Board,
H. E. GREEN,
Secretary-Treasurer.

Montreal, 24th July, 1942.

The Royal Bank of Canada

DIVIDEND NO. 220

Notice is hereby given that a dividend of two per cent (being at the rate of eight per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Tuesday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1942.

By order of the Board,
S. G. DOBSON,
General Manager.

Montreal, Que., July 21, 1942.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 360

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 12th day of August, 1942, to shareholders of record at the close of business on the 29th day of July, 1942.

DATED the 22nd day of July, 1942.
R. C. FINLAY,
Secretary.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 217

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after TUESDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1942.

By Order of the Board
JACKSON DODDS, General Manager.
G. W. SPINNEY, General Manager.

Montreal, 21st July, 1942.

DIVIDEND NOTICE

Commoil Limited

Notice is hereby given that a Dividend of ½ cent per share has been declared on the outstanding no par value shares of the Company, payable August 25th, 1942, to shareholders of record at the close of business, August 15th, 1942.

The transfer books of the Company will not be closed.

By Order of the Board,
G. J. McKAY,
Secretary.

July 23rd, 1942.

Ventures Limited

25 King Street West, Toronto

DIVIDEND NO. 14

NOTICE IS HEREBY GIVEN that a dividend of 5 cents per share has been declared by the Directors of Ventures Limited, payable in Canadian funds on September 25th, 1942, to shareholders of record August 17th, 1942.

Payment of this dividend is, under present conditions, subject to obtaining the approval of the Foreign Exchange Control Board.

By order of the Board,
H. WHITTINGHAM,
Secretary-Treasurer.

July 24th, 1942.

Beattie Gold Mines (Quebec) Limited

(No Personal Liability)
25 King Street West, Toronto

DIVIDEND NO. 19

NOTICE IS HEREBY GIVEN that a dividend of 3 cents per share has been declared by the Directors of Beattie Gold Mines (Quebec) Limited, payable in Canadian funds on September 9th, 1942, to shareholders of record August 12th, 1942.

By Order of the Board.
H. WHITTINGHAM,
Secretary-Treasurer.

July 24th, 1942.

Labor Is Now Crucial Factor In Gold Mining Operations

That the labor shortage is becoming a major problem for gold producers is increasingly evident. British Columbia mines have already been affected seriously. Now mine after mine in eastern Canada faces similar difficulty in maintaining its labor squad at a satisfactory level.

At a few smaller properties, such as Tyranite, the situation has resulted in suspension of production. Most of the larger gold producers have been able to hold their level of production fairly well so far, but officials wonder about the future. Gold mines will feel labor shortages more severely in coming months, they expect.

Supply Problem Supplanted

Six months ago, the supply problem was the main worry of gold mine managements. Supply deliveries slowed down, threatening to curtail operations.

Now the labor famine is a greater challenge to the ingenuity of mine management than supplies. The mines cannot draw on emergency reserves of labor in the same way it has been possible to dip into emergency operating supplies.

Fortunately, most of the larger gold mining concerns realized a shortage of labor could be expected in wartime. In the last war shortage of skilled miners closed down more than one of Canada's larger gold mines.

Development Carried Ahead

Anticipating the same condition again, mines have sunk their shafts farther and extended workings more than peacetime requirements dictated. Mechanization, and use of such things as mechanical muckers, have reduced the labor force needed to operate many mines.

At least one has prepared a large number of lower grade stopes—not included in ore reserves—against the time the labor supply might not be adequate. The low grade producer, Young-Davidson Mines, has built up broken ore reserves to a supply sufficient for 2½ years' operations. There is a good chance this broken ore reserve may see it through until the end of the war.

Dome An Early Sufferer

Dome Mines was one of the first of the large eastern producers to feel the labor shortage. It was forced to reduce tonnage milled by 200 tons a day. Others have gradually reduced their milling rates since. The large producers have demonstrated a greater ability to maintain production schedules than smaller marginal operations of which perhaps a score have suspended production or are planning to do so.

This is what President J. Y. Murdock of the Pamour Porcupine Mines has to say about the situation at Pamour, an eastern Porcupine producer:

"The scarcity of labor is becoming a critical factor. Normally some 343 are employed underground, while at present this force consists of only 254 men. Since the end of the year some 13,000 tons of ore have been drawn monthly from broken reserves, which now amount to about 575,000 tons."

About the situation at Hallnor Mines, of which Mr. Murdoch is also president, this statement is made:

"In accordance with recent regulations issued by the Canadian Metal Controller, mill operations are now limited to the treatment of approximately 380 tons of ore per day, but due to steadily increasing labor turnover, actual production may be lower."

Inexperienced Help Hurts

With a drop of more than 10% in production in the June quarter, Central Patricia Gold Mines notes that this decline was caused partly by use of inexperienced miners.

In the Kirkland Lake area, it is doubtful if the labor supply is anywhere near what the mines would like. To the east, in the Larder Lake area, Kerr-Addison Gold Mines has been experiencing a shortage of miners and the situation was reported as follows in the recent semi-annual statement:

"The shortage in crew continues without any signs of betterment, but to date sufficient work has been done to continue the increase in ore reserve."

Quebec Mines

Quebec gold mines have also been hit by a labor shortage. At Canadian Malartic Gold Mines, a labor shortage has meant a reduction in unit operating costs as explained by the consulting engineer, E. V. Neelands, in the second quarter report:

"Operating costs were $2.42 per ton milled, a reduction of 27 cents per ton. This reduction in cost is, in part, due to increased tonnage, but is also due to a reduction in number of employees below that required for maintaining a satisfactory mining position."

Canada's gold mines are not alone in suffering from a labor shortage. Gold mines of the United States have already been affected to a marked degree.

In Australia, Big Bell Mines, in which Premier Gold Mining Co. is interested, experienced a labor shortage in 1941. Tonnage of ore mined and milled dropped from 41,659 tons in January, 1941, until it averaged only 29,921 tons in November and December. The company has had to resort to older and inexperienced men.

Inco Deal Explained By Ilsley

Looked Upon as "Highly Advantageous" to Canada

Details of the $34 millions expansion programme of International Nickel Co. came in for discussion in the House of Commons recently. This was prompted by G. H. Castleden (C.C.F., Yorkton) who asked information on special allowances made to International Nickel for taxation purposes.

Answering Mr. Castleden's questions, Finance Minister J. L. Ilsley termed the deal "highly advantageous" to Canada and pointed out that while allowances for depreciation or depletion will reduce profits available for taxation over a period of five years, it is expected that taxable profits will "shoot up" after that time.

Said Mr. Ilsley:

Ilsley's Statement

"Note that at the end of the 5-year period the profits for taxation purposes shoot right up because their depreciation is very largely written off. This merely advances depreciation, and it is not always an advantage to a company to take all its depreciation early. They are running a chance when they do that. Sometimes it is an advantage to spread depreciation over quite a period. In the case of International Nickel, however, I should like anyone who has studied that agreement to ask any questions about it at any time, because it is a highly advantageous agreement to Canada.

"Under it International Nickel brought in about $34 millions in United States money, invested it here and they are taking out their ore very rapidly as a result. Naturally their profits would be swollen out of all relation to normality by that abnormal operation; and it would not be fair to expect them to undertake that highly abnormal operation without a rapid write-off of the investment by depreciation. If it should turn out that they are getting some permanent benefit, it might be different, but the faster the depreciation is written off, the greater will be their profit in future years . . . and . . . the greater the tax will be on profits in future years, unless there is a reduction in the rate of taxation."

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Siscoe Feeds Enlarged Mill With Ore From Old Stopes

From Our Own Correspondent

VAL D'OR.—Increased mill production at Siscoe Gold Mines is being maintained by stoping a large tonnage of ore from walls of old stopes in the "Main" vein system. This has so far been largely above the fifth level.

Work is now proceeding below the 1,350-ft. level in these old workings. Of the 178,105 tons of ore milled in the first six months of 1942, 68% has been drawn from the old workings and the balance from the "K" zone and from the No. 20 zones of flat-lying stringer structure to the north and east of the shaft.

Net operating profit for the first six months is estimated at $294,427 before write-offs. This profit is considered a result of the favorable level of costs established at the higher milling rate. The results in the first half of the year are stated to have given strong confirmation of the estimated reserves at the first of the year of 863,397 tons of 0.154 oz. grade. Broken ore reserves have been built up to 200,000 tons or sufficient for six months' operations at the current rate.

Limited exploration is now being carried on. Preparation of stopes for mining in the No. 20 series of stringer zones has indicated that these structures extend below the fourth level. A crosscut is being driven to the northwest on the 19th level at 2,425 ft. to explore a zone that has responded favorably to diamond drilling.

Siscoe has been co-operating actively with the metals authorities at Ottawa in working on production of base metals for war use. At Lacorne, located 15 miles north of Siscoe, a 50-ton reduction plant is stated to have been installed for production of molybdenum. Ore from the surface dump is presently being treated. Underground workings are to be dewatered and mine development proceeded with.

The Tetreault lead-zinc mine located 70 miles from Quebec, is being rehabilitated, after extensive examination. Production may be resumed before the end of the year.

A proposal has been made to take over the adjacent Siscoe Extension property where approximately 500 ft. of gold ore is stated to have been opened up in previous underground development. It is expected that ore from this property will be treated in the Siscoe mill. Sampling the surface dump has shown the presence of scheelite.

Sheep Creek Net Higher Last Year

While taxes showed an increase, earnings of Sheep Creek Gold Mines were higher in the year ended May 31, 1942, and were close to the 1940 level.

Net profit of $378,298 for the 1942 fiscal period was equal to 20 cents a share compared with 16.9 cents the preceding year and 20.3 cents the 1940 fiscal period.

Higher production and slightly lower operating costs were responsible for the improved 1942 showing. Bullion production was $1,009,429 from 55,079 tons of ore against $986,640, from 55,054 tons of ore the previous year.

Profits before depletion and depreciation but after taxes were $474,942 or better than 25 cents a share. The charge for depletion absorbed $60,637 while depreciation amounted to $36,007.

Noranda's Net Holds Steady

Slightly higher profits were realized by Noranda Mines in the six months ended June 30, 1942. Estimated net profit for the period of $5,585,453 was equal to $2.49 a share compared with $5,383,600 or $2.40 a share in the corresponding 1941 period.

Higher taxes for the period were more than offset by lower costs of operation.

Earnings for the second quarter of $1.22 a share were slightly below the $1.27 of the preceding quarter which had been termed an abnormal profit as production was being pushed.

Metal production and miscellaneous income at $10,991,277 for the six months ended June 30, 1942, showed relatively little change from the $10,911,202 of the corresponding 1941 period. Operating costs dropped from $3,225,602 to $2,917,824 but taxes jumped from $2,022,000 to $2,200,000. Reserve for depreciation was $8,000 higher at $288,000.

Noranda's subsidiary, Canadian Copper Refiners, continues to operate at capacity and work has been started on construction of a copper sulphate plant in conjunction with refining operations.

During the first half of 1942, Cia Minera La India, Noranda's Nicaraguan subsidiary, earned $195,000 in U. S. funds and disbursed $200,000 U. S. funds in dividends of which Noranda received $127,500 U. S. funds as its share. The property appears to have assurance of a long life, it is stated. La India's subsidiary, Empress Minera De Nicaragua, has to date refunded $121,000 of the $730,000 borrowed from La India and is expected to make further substantial repayments during the year.

Canada China Clay & Silica, a Noranda subsidiary, is gradually being brought into production but is operating at a deficit while construction is being completed. It is expected the plant will be in full operation by the end of the year.

Mining INVESTMENTS

Canada's gold production at 425,160 ounces in May, 1942, represented an increase of 1.04% over the April output, but it is believed that production rate is now actually in a declining trend. Allowing for one extra production day in May, the daily production rate was slightly below that of April. Actually, 5.35% less gold was produced in May of this year than in 1941.

Marking the end of the Kirkland Lake strike, gold production jumped from 405,664 ounces in January to 439,203 ounces in March. However, there have been many signs since March that lower production was on the way.

• • •

Labor shortage is perhaps the most serious single problem faced by the gold mines just now and May gold production figures may reflect this somewhat. British Columbia, where the labor situation first became acute, reports production of only 40,418 ounces of gold in May compared with 42,259 ounces in April and 49,927 ounces for May, 1941. Production in Manitoba and Saskatchewan showed a 3.3% increase but the trend may turn downward there with production being suspended at the Box mine.

Production has been forging ahead in Quebec during recent years, but the trend may be downward for a while now. In May, Quebec turned out 1.04% less gold than in April. From the straight gold mining viewpoint, the decline may have been even more severe as much of Quebec's gold comes as a by-product of base metal mining.

• • •

Reduced milling rates appear to be in order for a number of gold mines as a result of the "mine freezing" order of the Metals Controller.

Aunor reports that its milling rate must be reduced from the current level of 505 tons ot approximately 470 tons.

Pamour is now limited to treatment of approximately 1,612 tons daily, but the management doubts if even this tonnage can be handled under current labor conditions.

With Dome Mines and several others larger producers forced to reduce production rates, it appears that mine managements won't be worrying too much about the freezing order.

• • •

The Town Hall at Cobalt is to be placed to a use which would surprise its original designers.

The building is now being revamped to house a new testing laboratory, the former laboratory of the government-owned Temiskaming Testing Laboratory having been destroyed by fire. Materials saved from the former property and also new and rebuilt machines will be used. The main crusher will be located on the ground floor, with a secondary crusher and other machines higher up. On what was the old main floor of the Civic Building will be the laboratory offices, "balance room," assay offices and storage facilities.

• • •

Cournor Mining Co. has become another in the growing list of "temporary war casualties" among the smaller marginal gold mining operations.

Production has been suspended at Cournor until after the war due to loss of a large part of the mine's supplies by fire in March. Necessity of considerable construction work, general war costs and labor conditions, were other contributing factors, it is stated.

Waite Amulet Profits Rise

Earnings Equal 35 Cents For Six Months Against 22.6 Cents in 1941

Consolidating direct earnings with the company's portion of earnings of Amulet Dufault Mines, Waite Amulet Mines realized earnings of 35 cents a share the first six months of 1942 compared with 22.6 cents the same period of 1941.

Of these earnings 31.93 cents represented earnings of Amulet Dufault Mines against 20.7 cents in 1941. Estimated direct net profit was $103,620 or 3.1 cents a share the first half of 1942 or more than 50% greater than the $62,472 or 1.9 cents a share the first half of 1941.

Direct metal recoveries were $845,637 against $878,043 the first half of 1941.

Go 300 Tons Higher

Concentrator capacity was increased last year from 1,200 to 1,500 tons per day, and directors recently decided, owing to the shortage of zinc, to raise the rate to 1,800 tons per day, states James Y. Murdoch, president. Work has been started and it is expected the increased production will become effective about the end of Jan., 1943, and will be utilized for the treatment of zinc ore. The resulting zinc concentrate will be sold in the United States.

Approximately 1,125 tons are presently being extracted from the Amulet Dufault Lower "A" ore body and 375 tons per day from the Waite mine. Inability to replace men is becoming more and more serious and the increased tonnage is predicated on sufficient labor being available, President Murdoch states.

The shaft and workings of "C" ore body, which is a high-zinc low-copper ore body of limited dimensions, have been dewatered and are now being examined preparatory to mining operations.

The situation with regard to the company's taxation problem still remain to be clarified.

Ventures Ltd. has declared a dividend of 5 cents a share payable Sept. 25, 1942, to shareholders of record Aug. 17. Shares will sell ex-dividend on the Toronto Stock Exchange Aug. 14.

The Week In Oils

From Our Own Correspondent

CALGARY.—Definition of the tax on oil royalties to be a basic maximum of 40% and further clarification of how the tax will work—these were given by Finance Minister J. L. Ilsley in the House of Commons recently.

He said the tax, if enacted, will effect "an important change in the law and make this type of commercial or industrial organization taxable in all respects as if it were a corporation."

Mr. Ilsley said he proposed to incorporate a provision "that in no event will the tax be more than 40%." That is, the maximum tax would be 40% of net revenue remaining after provision for operating expenses, depreciation, depletion and amortization of well costs allowances.

• • •

Previous Situation

Up to now, based on a ruling by the Exchequer Court of Canada on the Income War Tax Act in March, 1940 (the B. B. Royalties Ltd. case), income from a royalty financed well had not been considered the property of the promoting company or the operating company and therefore was not subject to income tax other than that which might be paid by the individual royalty owner on his return from production.

All revenue, after deducting operating costs and providing for gross royalties, has been issued by the trustees to the individual royalty holders. The individual is allowed 25% for depletion, the remaining 75% being added to his other income and his personal income tax being calculated on the sum of the two.

Mr. Ilsley's proposed change in the tax act will nullify the 1940 Exchequer Court ruling and render royalty financed wells taxable on the same basis as oil wells financed by the share-company method.

• • •

Exemptions Important

Under the projected setup, trustees will be required to calculate the amount of the corporation taxes each month and deduct these from net returns before making distributions to the royalty owners. There has been some tendency to jump to the conclusion that Mr. Ilsley plans to collect a full 40% of revenue remaining after payment of operating costs, thus reducing return to royalty owners by 40%. That is not how it will work out. The taxable income will be the net revenue remaining after provision for operating costs plus:

(1) Depreciation on casing and production equipment (basis 15% of cost per year).

(2) Amortization of well costs (allowing well costs over seven-year period, 20-30% of cost in first year, 15-20% second year, 10-15% in third to seventh years).

(3) Depletion allowance per year of 33 1/3% of net revenue remaining after depreciation and amortization deductions.

On the majority of royalty financed wells, the likely corporation tax will be considerably less than the 40% basic minimum, it is indicated.

• • •

Personal Basis Same

The individual royalty owner, under the new setup, will continue to pay personal income tax on the amount he actually receives on his royalties, less his present depletion allowance of 25% or some other rate of depletion that may be allowed. (There may be some possibility of the individual's depletion allowance being increased, further reducing the amount of personal income tax payable on revenue from royalty financed wells). What the effect of any change would be on individual royalty owners cannot be determined exactly until the full details of the enabling legislation are known.

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New Turner Wells

In Turner Valley, two north extension wells have been completed. Major Oil Investments No. 8 and Home Millarville No. 10.

Major 8 bottomed at 7,772 ft., 28 feet in the black lime. Limestone was encountered at 7,270 ft. and samples indicated 45 ft. of lower porous formation. The well was given a mud acid with further acidization to follow.

Home 10 was completed at 7,771 ft., 61 ft. in the black lime. Limestone was struck at 7,147 ft. and black lime was encountered at 7,710 feet. Some porosity was noted in the latter formation and drilling was continued. This formation did not prove promising however, and drilling was stopped. Preparations were being made for acidization and testing.

Other recent completions, Foothills No. 10 and Major Oil Investments No. 7, have been "pinched in" to around 500 bbls. a day after giving flush flows following acidization. Initial production of Major 7 was reported by the Alberta Petroleum & Natural Gas Conservation Board as 2,306 bbls. daily, while Foothills 10 had an initial flow of 1,106 bbls. Tests are now being conducted to determine bottom-hole pressure and other data, preparatory to setting production quotas.

Aunor Profits Higher in Half

With production nearly $170,000 higher, Aunor Gold Mines showed a sharp increase in profits the first half of 1942. Net profit of $262,723 realized this year was equal to 13 cents a share against only 9 cents the first half of 1941.

Production—after marketing expenses—totalled $920,904 from 87,705 tons of ore the first half of 1942, an average recovery of $10.50 per ton. This compared with $754,200 from 76,592 tons of ore and average recovery of $9.85 a ton in the 1941 period.

Depth Results

Underground development indicates the ore zone at 1,375 ft. may be considered as good as at the 1,250-ft. level, but at the 1,500-ft. level so far it appears less regular. Considerable commercial ore of lower grade than the main ore zone has been developed by drifting on the 1,250-ft. level in the new south ore zone.

In accordance with recent regulations from the Metals Controller mill feed will be reduced from the current rate of 505 tons to about 470 tons daily. Approximately one ton of high-grade tungsten ore is being shipped per month, but this is handcobbed and is essentially a nonprofit war contribution.

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Oil Royalties

Producing Wells — Prices and Payments

	July daily allow. bbls.	June daily allow. bbls.	Mar. roy. pay 1% $	Apr. pay. 1% $	May pay. 1% $	Paid to May 30 1% $	Dealers offering price† 1%
Ace. No. 1 gross	538	539	264.90	242.98	241.82	2,679.13	$8,300
Alta. Oil Inc. No. 1 gr.	76	109	65.60	53.20	52.40	3,347.20	1,500
Do., 1 net	76	109	56.00	44.40	42.00	3,876.80	1,000
Do., No. 2 gr.	518	573	251.20	229.20	252.80	4,824.80	9,300
Do., No. 2 net	518	573	229.20	208.80	231.60	4,877.00	7,200
Allied No. 1 pfd.	100	100	50.17	44.63	42.80	529.69	1,400
Arrow No. 1 net	156	163	85.20	77.20	78.00	1,215.60	1,900
Do., No. 2 net	196	203	86.00	76.40	94.00	1,138.20	2,300
Atlas No. 1 net pfd.	120	125	....	8.30	35.60	44.40	1,900
Atlas-Br. D. No. 2 pfd.	699	748	....	....	486.80	436.80	10,500
D. & D. net pfd.	75	80	41.20	34.40	36.40	1,671.00	1,400
Independent No. 1 p.	235	245	152.64	150.65	148.99	1,468.87	3,800
Do., No. 1 gr.	235	245	109.66	107.84	107.09	1,573.23	4,000
Major Oil No. 1 pfd.	129	146	92.00	74.00	77.60	380.40	1,900
Do., No. 1 gr.	129	146	79.20	71.60	72.40	1,255.60	2,200
Do., No. 2 pfd.	623	708	485.20	446.80	430.40	3,071.40	7,000
Do., No. 2 gr.	623	708	367.60	334.40	331.20	3,263.60	9,600
Do., No. 2 dfd.	623	708	....	....	....	......	6,000
Do., No. 3 pfd.	840	850	638.40	549.20	534.00	4,195.60	8,600
Do., No. 3 gr.	840	850	456.00	406.00	396.00	3,754.40	....
Do., No. 4 pfd.	304	480	185.60	384.40	325.20	1,220.40	4,200
Do., No. 4 gr.	304	480	341.20	276.40	248.00	1,624.00	5,700
Do., No. 9 gr.	400	..	..	....	....	......	8,800
Do., No. 9 pfd.	400	...	....	....	....	......	5,700
Miracle No. 1 pfd. net	453	643	500.13	456.48	414.82	3,892.05	5,300
Do., No. 1 gr.	453	643	347.22	316.47	296.21	3,525.40	9,000
Do., No. 2 pfd.	280	473	....	78.69	239.30	317.99	4,100
Sunset No. 1 gr	99	101	52.23	58.41	48.40	6,817.87	1,900
Do., No. 2 gr.	80	80	43.15	39.57	37.29	6,803.76	1,900
Twin Valley No. 1 gr.	160	168	82.35	73.15	80.19	1,881.50	4,300
Vulcan Brown gr.	110	117	85.70	72.80	67.70	8,622.72	4,300
Do., net	110	117	52.16	54.43	44.25	4,843.89	3,100
Winalta No. 1 pfd.	96	100	72.80	54.40	72.00	3,259.10	1,200

†Approximately 20% below dealers' bid prices usually.

Drilling Wells — Prices and Depths

	Drilling depth ft.	Offering price per 1%		Drilling depth ft.	Offering price per 1%
Atlas Br. Dom., No. 3 p	5,137	*$4,375	Miracle No. 3 gr.	5,872	$6,900
Bonaventure, pfd.	6,365	4,200	Northclon., No. 1 pfd.	3,882	5,200
Major Oil, No. 6 pfd.	5,630	6,000	Northclon., No. 1 gr.	3,882	6,500
Major Oil, No. 6 gr.	5,630	7,600	Northend, No. 1 pfd.	7,478	4,600
Major Oil, No. 7 pfd.	Testing	7,800	Northend, No. 1 gr.	7,478	5,700
Major Oil, No. 7 gr.	Testing	8,800	Northend, No. 2 pfd.	4,900	4,000
Major Oil, No. 8 pfd.	7,766	7,200	Northend, No. 2 gr.	4,900	5,200
Major Oil, No. 8 gr.	7,766	7,900	Northend, No. 3 pfd.	8,084	4,500
Major Oil, No. 12 pfd.	9,350	*4,375	Northend, No. 3 gr.	8,084	6,200
Major Oil, No. 12 gr.	9,350	4,400	New Ranchmen's, pfd.	100	*3,200
Miracle, No. 3 pfd.	5,872	5,600	Empire, pfd. (Ont.)†	....	*1,100
			Hi-Test Pete. pfd.†	....	3,600

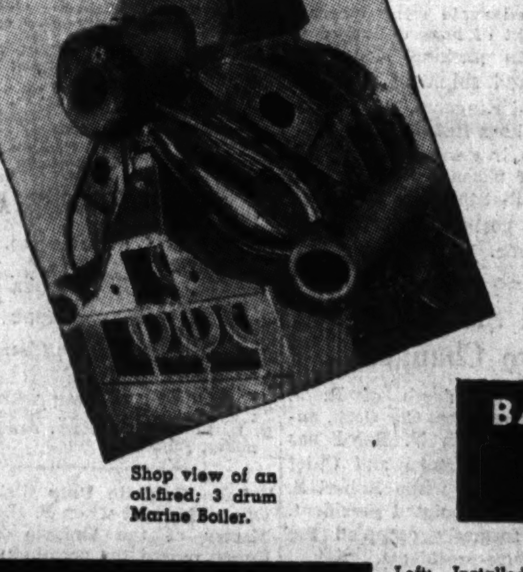
*Pegged price. †Acreage royalty.

Howe Sound Profit Declines Narrowly

Net profit of $417,557 or 90 cents a share was realized by Howe Sound Co. in the three months ended June 30, 1942. This compared with $465,514 or 99 cents in the first quarter of the year.

Gross value of metal sold in the June quarter totalled $3,586,231, bringing gross sales for the six months to $7,626,237. No figures on metal production are being given during wartime.

Sectional View of BABCOCK Straight Tube Marine Boiler cross drum type, oil-fired, with air heater.



Shop view of an oil-fired; 3 drum Marine Boiler.

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Left: Installed view of "Integral" Furnace Boiler with Chain Grate Stoker.

Below: Installed view of Sterling type boiler with 27 ft. wide Travelling Grate Stoker.

Left: Installed view of "Integral" Furnace Boiler burning powdered fuel.

Mining Policy Still Being Questioned

Prospectors' Plea Finds Support in Mining Circles

By GORDON M. GRANT

If the memorandum forwarded to Prime Minister King by the Ontario Prospectors & Developers Association has so far done nothing else, it has stimulated a great deal of thought and discussion in mining circles concerning the role of the mining industry—and mining regulation—in wartime.

A large number of mining men have declared themselves in sympathy with the objectives of the prospectors but there is no close unanimity as to what should be done.

It is generally conceded now that M. C. 19 — the "freezing" order for the mining industry—was misunderstood in the prospectors representations to Ottawa. Prospecting was not banned. Mining men fear now that this misinterpretation of new regulations may result in failure to assess merits of other proposals of the prospectors at their true worth.

Not Sufficient Power?

One man, who asked that his name be not used, regards M. C. 19 as being fair and legitimate, but thinks that the earlier order under which the Metals Controller was appointed fails to cover our present needs satisfactorily.

It is pointed out that while the Metals Controller is empowered to operate mines and to have new mines opened up, he possesses no power to spend money himself and an Order-in-Council is necessary before anything can be done where money is involved.

In effect, this means red tape and delay in tapping sources of mineral wealth, it is suggested. It means that the first thing the public and the mining industry generally learns about an important development is the announcement of the completed agreement. The pertinent Order-in-Council is usually passed without any opportunity for previous discussion in the House of Commons.

Open Things For Discussion?

He thinks greater latitude should be given for discussion before an actual deal is signed. The mining industry, he states, knows more about actual minerals and metals—and where they can be secured—than any other body. It is considered quite possible that valuable suggestions might be advanced based on proposals for new development.

That is what one man thinks and, admittedly, a great deal of thought may be required before a new, more satisfactory system of operation could be evolved. The War Metals Advisory Committee has been doing good work in surveying mineral possibilities, but this Committee cannot acquaint the prospector and developer with exact requirements or possibilities of government assistance when marginal or subcommercial deposits are involved.

Co-operation Lacking

The fact that the War Metals Advisory Committee has failed to secure the co-operation of the prospector has definitely limited its effectiveness. Here is what the Ontario Prospectors & Developers Association's memorandum to Prime Minister King had to say about this:

"As has been reported, it is correct that the majority of prospectors opposed the formation of this committee. For its members, individually, the prospectors have the highest regard. But in a situation which appeared to call for quick action, the procedure provided nothing but one more delaying factor.

"The committee was given no power to act and, as the prospector was unrepresented in his original setup, it was not clear to the prospector why it should function as a brake on his particular wartime work."

Good Work But—

Both the prospectors and mining operators appear to feel that the Metals Controller has done good work but that he is concerned with more affairs than one man can be expected to handle satisfactorily.

Even the best mining executive in Canada and the United States couldn't manage both metal rationing and Canada's mining industry satisfactorily, some are saying.

As outlined in the memorandum to Prime Minister King "the prospector does not believe that the function of a metals controller can be combined with that of a leader in an all-out search for hitherto unknown sources of badly-needed minerals and metals. The two functions are by their very natures, incompatible."

What can be done to take part of the burden off the Metal Controller's shoulders remains to be worked out. While a number of mining men think that modification of M. C. 19 is unlikely, they hope that the remaining proposals of the Ontario Prospectors & Developers Association will come in for serious attention in Ottawa.

The conclusion to the Association's memorandum prepared for Prime Minister King reads as follows:

"Should the adoption of a basic programme, such as we have suggested, necessitate the appointment of a hard-driving production head whose clearly-defined function is to speed discovery and development; should it involve the formation of a direct purchase organization; and should it require full utilization of such established government services as the Bureau of Mines and the Geological Survey Branch, these measures would be strongly endorsed by the membership of this association and, we are confident, by other important factions of the mining industry."

The suggestion of a "production head" arises out of the criticism (which has not been confined to the prospector alone) that the Metals Controller cannot look after both control and distribution of existing mineral supply and the distinctly different job of arranging for new sources of production or increased output from present established sources.

If a "production head" should be decided on, the Prospectors Association thinks that the prospector going out into the field is entitled to some advance information as to what mineral prices are likely, granted a find is made.

As the situation stands now, special price deals for getting properties into production are usually only made after new properties have been found. Prospecting activity has been partly kept at a low level through ignorance on values of certain metals.

As reported in The Financial Post two weeks ago, a considerable number of prospectors and mining men favor relatively high prices for needed strategic minerals with perhaps a special type of agreement to skim off any unduly high profits realized. High prices for strategic minerals, one authority states, is the only way subcommercial properties can be placed in production. Making a special price deal with each property has the advantage of economizing on government money but a still better result might be secured at no greater expense through a generally higher level of prices for metals with some rebate arrangement for part of any surplus realized.

A direct purchasing organization, as suggested by the committee, would make available to both a "production head" and the mining industry generally, prices on various minerals and the outlook for each one.

Hudson Bay Net Sets Record

Earnings set a new record at Hudson Bay Mining & Smelting in the three months ended June 30, 1942. Net profit of $1,830,487 was equal to 67 cents a share, the highest quarterly figure in the company's history, compared with $1,662,054 or 60 cents the preceding three months.

Earnings for the six months ended June 30, 1942, totalled $3,492,541 or $1.27 a share compared with $3,296,993 or $1.19 a share the corresponding period of 1941.

Command Oils Net Lower

With gross production lower in the year ended April 30, 1942, Command Oils net profit showed a decline to $28,501 or 1.7 cents a share compared with 2.4 cents the preceding year.

A half interest held in Ace Oils Ltd. has been revalued at $50,000 compared with its previous value of less than $1,000. This new surplus is being kept in reserve account for valuation of shares.

A total of 19% of gross royalty has been acquired in Command No. 2 well from Commonwealth Petroleum for 285,809 shares which were issued at 20 cents a share.

Income and Surplus Account
Year Ended April 30

	1942	1941
	$	$
Prod.: No. 1 well	61,938	104,243
No. 2 well	105,311	148,903
Less. Gr. roy.: No. 1	12,509	20,918
Gr. roy.: No. 2 well	38,993	65,543
Net production	115,747	166,685
Less: Field oper. exp.	7,744	7,236
Rentals and taxes	1,534	3,926
Admin. & other exp.	8,304	6,403
Conservation board	333	......
Operat. income	97,832	149,120
Add: Roy. (less depl.)	1,633	......
Dividends	6,939	......
Interest, etc.	417	......
Bond interest	254	......
Total net revenue	107,075	149,120
Less: Depreciation	4,219	4,268
Depletion	8,586	15,542
Develop. amort.	59,688	82,684
Inc. & E. P. taxes	6,081	12,879
Net profit	28,501	33,747
Dividends	60,925	......
Surplus for year	*32,424	33,747
Add: Prev. surplus	58,352	20,772
Inc. tax adjust.	1,299	3,833
Surplus on royalties	21,076	......
Less: Conting. reserve	12,500	......
Surplus forward	35,803	58,352
*Deficit.		
Earnings per Share and Dividend Record:		
Earned	$0.017	$0.024
Paid	0.04	nil
No. of Shs. Outstand.	1,665,630	1,380,630
Working capital	39,168	17,704

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War Metal Finds Made In Manitoba Fields

From Our Own Correspondent

WINNIPEG.—With what appear to be substantial finds of chromium and tungsten, mining in Manitoba is more active now than for many months past. Activity is apparent from "north of 53" to the corner of southeastern Manitoba on the boundary of Ontario.

Chromium was found in the Bird river district two weeks ago while a small crew of men were drilling a nickel-copper deposit on the Page-Sweezey group of claims 30 miles north of Lac du Bonnet and quite readily accessible.

The general area for many years has been considered favorable geologically for concentrations of nickel and copper and over the past few years large sums of money have been spent in exploration work by such firms as Consolidated Mining & Smelting and Ventures.

Dr. Bateman on Ground

Dr. J. D. Bateman for the Dominion Government has spent many weeks in the area this summer and is still there, keeping an eye on new discoveries and generally assisting prospectors in their search. Dr. G. M. Brownell on behalf of God's Lake Gold Mines staked what is known as the Chrome group of claims, after some weeks of looking the ground over. He is now supervising first development on the group by a crew of men. The Chrome group is south of the Page-Sweezey ground. Several other prospectors are in the field looking for good ground and a large area has now been staked.

In the Hawk Lake area the Thor Gold group has been found to carry scheelite in apparently commercial quantities. Several engineers have been over the ground and many samples have been taken, some of them of large-sized pieces of rock, all of which show scheelite under a fluorescent lamp. M. J. Thorarinson, president of Thor Gold says negotiations are about completed with a large mining company for immediate development.

Other Properties Attract

Another property in the immediate neighborhood has also been staked and is now under option to eastern interests. Negotiations are under way for two or three more in the same general locality, which as far back as the Great War shipped a certain amount of scheelite for war purposes.

In the north Jack Nutt has a scheelite find on the old Apex group of claims on which a large amount of money was spent a few years ago endeavoring to develop it as a large tonnage low grade gold proposition. Mr. Nutt is at present on the property directing the early stages of development.

Works Douglass Lake

Wampum Gold Mines operating the Douglass Lake Mines property, five miles south of Flin Flon, has the old workings pumped out. Recent surveys and assays give a value of approximately a million dollars in arsenic down to the 300-ft. level. Arsenic content was one of the earlier drawbacks to bringing the property into production but at present prices and with the existing demand it is believed the arsenic content will be a valuable adjunct to the mine.

Hudson Bay Mining & Smelting is still engaged in drilling the Thompson property at Schist lake and are also preparing the Mandy mine for early resumption of activities. Mandy will concentrate ore and ship concentrates to the United States for final recovery of copper.

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"North End" Well Situation Appears No Better as Yet

Recent development in the far north end of Turner Valley so far gives no indications of improvement. Oil prospects seem to have been greatly reduced in recent weeks although it is still possible the productive area may have taken a turn away from the current drilling area.

Major Oil Investments No. 12 well, a key test in the far north end, was down 9,233 ft. on July 21 with drilling still in the Upper Blairmore formation. If production is secured at this well, it now appears the productive horizons will be found at great depth.

Results Significant

Results at the Major No. 12 well are considered significant to a number of other wells put down in the same area but which have not been completed.

Further north than Major No. 12, two wells have been abandoned. According to the latest drilling progress report of the Petroleum & Natural Gas Conservation Board, the Lion-Davies No. 1 well, drilled to 2,710 ft., has been abandoned while Northcross Incomes No. 1 has been temporarily dropped.

Testing of the area between the producing sector of the north end and the Major No. 12 well is progressing. The Bonaventure Royalties No. 1 well down 6,365 ft. is changing rigs. The Hastings Royalties No. 1 well is standing at 7,652 ft.

Further south of these two wells, operations were resumed at Northend Petroleums No. 3 well on July 19. The well is now down 8,084 ft. Results at this well are being watched with interest.

Mining Concentrates

Beattie Gold Mines has declared a dividend of 3 cents a share payable Sept. 9, 1942, to shareholders of record Aug. 12. This is the same amount as was paid June 26. Operating profits are continuing to decline, amounting to $188,650 in the three months ended June 30, 1942, compared with $207,102 in the June quarter of last year. Profits are after all charges except depreciation. Tonnage of ore milled is holding fairly steady, the chief factor in the lower trend of earnings being fluctuation in grade of ore milled.

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Coniaurum Mines has declared 3 cents a share payable Sept. 9 to record Aug. 14. On June 26, a similar dividend of 3 cents a share was paid, a reduction of 1 cent from the dividend paid the preceding quarter. Estimated profit after all charges except depreciation was $113,085 in the three months ended June 30, 1942, compared with $118,228 the preceding three months and $123,698 in the June, 1941, quarter.

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Central Patricia Gold Mines reports drop in production value from $452,656 the first quarter to $384,615 the second quarter was due partly to a complete shutdown of the mill for 8½ days, as a result of power interruptions caused by forest fires. In addition, ore was drawn heavily from low-grade ore bodies and inexperienced miners caused dilution by over-breaking in stopes. Reflecting the dilution, average recovery dropped from $12.55 in the March quarter to $11.11 in the June quarter. While the company has been able to secure a sufficient supply of labor it has been found increasingly difficult to obtain experienced miners, the official statement reports.

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McKenzie Red Lake Gold Mines experienced a decline in production last quarter but value of production is expected to increase in the second half of the year when a larger proportion of ore will be drawn from the new northeast section. Production of $209,494 was secured from 21,104 tons of ore milled in the June quarter compared with $272,571 from 21,439 tons the previous quarter. Replacement of equipment reduced grinding capacity in the quarter and there was also a considerable amount of absorption of gold in the mill circuit which will be released later.

The new northeast mine has now been prepared for mining. While there has been a reduction in total development footage from the previous year, the mine ore position is stated to be continuing to improve. Of 977 ft. of new ore lengths exposed in the quarter, 775 ft. were in the northeast mine. Drifting on a hangingwall vein on the 450-ft. level in the northeast mine has exposed 195 ft. of ore. Other ore lengths in the northeast sector include 310 ft. on the 550-ft. level, 70 ft. on the 850-ft. level and 200 ft. on the 1,059-ft. level.

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Norbeau Mines (Quebec) can carry out no further operations until after the war, President J. Y. Murdoch reports. Exploration was suspended in 1939 as it was realized mining operations could not be considered until power and transportation facilities became available. Acreage held has been reduced from 1,263 acres to 920 acres. Debt to Noranda Mines now totals $28,300, representing non-interest bearing advances. The company has practically no current assets and is dependent on Noranda for payment of current expenses.

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National Malartic Gold Mines balance sheet as at Jan. 31, 1942, showed cash of $84,859 compared with $103,593 on Jan. 31 1942. Work was suspended recently due to war conditions. Results were considered favorable up to the time work was suspended.

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Siscoe Extension Gold Mines shareholders' meeting was adjourned three weeks while Six-Ex Holdings passes on the proposed deal, it is stated. The deal calls for issue of one share in a new company for each 10 Siscoe Extension shares held with two shares of the new company to be issued to Siscoe Gold Mines for each share issued to Siscoe Extension shareholders.

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Siscoe Gold Mines had estimated earnings of $92,659 the second quarter of 1942 against $87,314 the preceding quarter. This brings earnings for the first half of 1942 to $179,973 compared with $209,921 the first half of 1941. Gross income the first half of 1942 was $918,576 against $887,172 the first half of 1941. Tonnage of ore milled amounted to 181,069 tons compared with 118,541 tons.

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Waite Amulet Mines has declared a dividend of 10 cents a share payable Sept. 10, 1942, to shareholders of record Aug. 18.

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Willastone Mines will distribute its assets shortly on the basis of approximately a half cent a share for each share outstanding. The company was formed in 1919 and held two claims in the Boston Creek area. Authorized capital is 2.5 million shares.

Granby's Expansion Is Now Under Way

From Our Own Correspondent

VANCOUVER.—Aiming at a 10% increase in copper production, Granby Consolidated has begun expansion of its plant at Copper Mountain with up to $200,000 to be advanced by the Dominion Government. By the beginning of 1943 the expansion is expected to result in an extra 3.7 million pounds of copper annually.

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What's Wrong in Parliament?

We Need a Strong Opposition

—Says this Liberal M.P. from the west. Replying to "Mr. X," whose article on improving Parliament appeared in the July 18 issue of The Financial Post, "Counter-X" believes that while the constituencies hold the final answer, much could be done immediately if the opposition were stronger. The writer prefers to remain anonymous for political reasons.

By "COUNTER-X"

To a very considerable extent I agree with Mr. "X" but it seems to me his chief idea is to reform the various constituencies and parliament will then be reformed as the next and natural step in sequence. Of course, this is perfectly true but I understand the problem is to try to find out what is wrong with parliament now and what can be done about it, other things being as they are.

His proposition reminds me slightly of one of Leacock's most apt illustrations. He was arguing against the socialist's position claiming that self-interest was necessary as a spur, to which the socialist was supposed to respond that under socialism people would develop a much higher ethic, and the spur of self-interest wouldn't be necessary. "In other words," said Leacock, "People would be like angels and therefore socialism would work: but if people were angels any system would work, and there would be no problem." Likewise, if we get what Mr. "X" desires there isn't any problem.

I think there is something to be done inside parliament itself all other conditions remaining just as they are now. The chief thing wrong with the present parliament is that there isn't any opposition.

A considerable number of the Conservatives who were elected come from safe seats and that may account for them not being the best men in the Conservative Party. To get elected in a seat which is fighting ground, you have to be good: to get elected in a safe seat all you need is to stand in well with the party organization. Moreover, after such a person gets in he hasn't the danger of future defeat to keep him on his toes.

On the other side of the House we have 170 or 180 members and quite a number of them are from time to time dissident. But they are not united in dissidence and therefore they don't make a real opposition. Their dissidence turns out to be grousing and bellyaching. In other words, lack of cohesion of these people prevents them from performing the function of an opposition.

There is something else that might be mentioned. There is an unwillingness due to a variety of causes on the part of such people as I have mentioned to say frankly what they think.

Frankness Needed

Men will be much franker speaking privately than in public.

Partly, this is lack of courage and partly, it is from other causes —a variety of other causes: but it must be admitted that senatorships and other appointments to be made in the future have an influence upon what is to be said today. This is one of the strong arguments in favor of the Senate being reformed.

What I have written is a very long way from a comprehensive statement and I am diffident over it on that account. Before I close I might take a crack at you to the extent that you represent the press.

I think one of the ways of effecting an improvement in Parliament might be to effect an improvement in the press of the country, more particularly the daily press. The press now picks out "tidbits" of speeches and presents them in a form that gives a wholly unfair picture of the House of Commons.

If there are not many members in the Chamber, the fact is likely to be headlined and thus carry the impression to the public that no person is working. (I, personally, have been absent from the House recently for some little time, but I have been working from early morning until late at night; and, I think, to better effect than if I had been present in the Chamber at all times).

Perhaps this paragraph smacks a little of the doctrine of Mr. "X" in that he says, "Reform the constituencies and Parliament will be reformed"; while I am saying, "Reform the press and Parliament will be, to a certain extent, reformed."

CHARTERED ACCOUNTANTS

What Financial Statements Can Reveal

"Our secretary-treasurer has just presented us with figures indicating that our business has had the most profitable year since its inception but, despite the fact that we earned almost $100,000 before taxes (which still have to be paid) and paid a dividend of only 10% on the capital stock, our position does not appear to us to be as good as it was a year ago, for at that time we had cash in the bank and now we have a large bank loan and overdraft. As we are unable to reconcile these two factors, we would very much appreciate having your views on this matter. A copy of the company's profit and loss account for the year just ended together with the balance sheet position as at 31st December 1941 and 1940 are attached for your information."

This is an inquiry from a company executive; it is not an unusual one, and illustrates the type of inquiries received by the accountant in public practice. Nor is this problem peculiar to war years; it may be met by the large corporation and by the humble trader at the close of a year's business at any time.

Financial statements, carefully prepared and consistent in form and content with those of previous fiscal periods, reveal facts both important and necessary in the successful management of a company. Audits and investigations determine whether the facts and figures in the statements are in accordance with the records of the business and whether the accounting principles followed during the year are consistent with those of previous years. One year's results can then be intelligently compared with those of other periods.

Here is one field of activity of the chartered accountant. Company managers discuss with him the meaning and significance of the figures in their financial statements. He is thus in a position to help the industrialist to "keep his finger on the business."

One of a series of brief discussions of the work of the professional accountant.

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On the Record

Meats and many other foodstuffs purchased by the government now conform with the price ceilings established for these commodities by the W.P.T.B.

James C. Gray, Toronto, sales and promotion manager for Industrial Acceptance Corp., appointed Ontario Provincial Supervisor of the National Salvage Campaign.

James M. MacDonald named assistant to the foods administration co-ordinator to work with the administrators on problems affecting imported food commodities.

Use of benzol in gasoline for motor vehicles, or its use for any other purpose has been prohibited, except by permit.

1943 synthetic rubber production expected to reach 14,000 tons. Eventual annual production estimated at 40,700 tons.

John R. Reid, president, Canadian Westinghouse Co. appointed president, Atlas Plant Extension Ltd.

More than 100,000 parts and over 100,000 man-hours are required to produce one of Canada's new Catalina PBY-5 amphibian planes, costing nearly $250,000.

Capital assistance has been granted to 175 corporations in connection with the war effort.

Wholesale price for creamery butter solids in Ontario is 35c. a pound to end of Oct., 36c, for prints. To these prices the retailer is entitled to add a markup covering his operations and governed by their individual ceilings established in the basic period, Sept. 15—Oct. 11, 1941.

A Motor Vehicle Automotive Parts Manufacturers Advisory Committee has been appointed to cooperate with J. H. Berry, Motor Vehicle Controller. The committee will comprise: **J. C. Armer, R. M. Thomas, J. C. Adams** and **C. C. Kay.**

Cast iron pipe is now prohibited from sale and purchase, except under permit. It is still obtainable for the repair of existing installations of cast iron pipe by permit from the Steel Controller.

Edward T. Sterne appointed Chemicals Controller. Mr. Sterne has been director of the explosives division of Allied War Supplies Ltd., a Crown company.

London Calling

by Adelphi

LONDON.—At the House there has been a sense of let down after the big debate of a week ago.

On Tuesday there was a debate on Propaganda when the shock-headed Brendan Bracken, as Minister of Information, met the weak onslaught of the critics, and had a minor Parliamentary success.

L. W. BROCKINGTON

A strange and likeable creature, this talkative, humorous, pensive and rather melancholy bachelor who always reminds me of a St. Bernard dog going out in the snowy Alps to try and find some silly fellow who has got lost. As a St. Bernard he takes a low view of people who get lost in the snow and believes they ought to stay at home, but he doesn't like to think of them out there, lost in the snow.

He is Australian born, was a financial journalist before the war, believes that Churchill is not only a great man but a good one, likes Max Beaverbrook enormously, tolerates the Socialist and Tory parties, and has always taken such a gloomy view of life that at times he roars with laughter.

He told the House on Tuesday that he would now have the benefit of Mr. L. W. Brockington's advice on Empire Broadcasting. Mr. Brockington made a fine impression when he was here a few months ago and I only hope that his personality will not get lost in the vast emporium that houses the swollen staff of the Ministry of Information.

* * *

Mild Macbeth

It is fitting that with London in its present mood the theatrical hit of the moment should be John Geilgud's presentation of Macbeth.

For many weeks our youngish actor-manager has toured his production around the provinces perfecting this item and that until, when it reached the West End, it was as flawless as the actors could make it. And what a goodly company of Thespians they are—Geilgud and Gwen Ffrangcon Davies as the unpleasant married couple, Leon Quartermaine whose artistry in "Milady's Dress" charmed Canadian audiences before the last war, Nicholas Hannen of recent "Cherry Orchard" fame, and Ernest Thesiger actually playing one of the three midnight Hags of Hell. As Mr. Thesiger in private life delights to knit, this does not seem as grotesque a bit of casting as it might otherwise have been.

Unfortunately even Shakespeare's genius pales in comparison with the reality of today. How can the three witches and their cauldron compare in horror with the Nazi trio of Goebbels, Himmler and Ribbentrop? How can the mere retail murder of a single Scot hold its own in drama with the night of the long knives in 1934 when Hitler went out to kill his friends?

Shakespeare would have revelled in the noisome creatures of the Nazi regime. Hitler muttering to himself then shrieking wild curses as the horror of the skies blasts Germany . . . Goering regretting that he had not stayed the clown instead of essaying the murderer . . . Goebbels as the crooked vulcan of the written and spoken word listening to the echo answer: "Liar. Liar. Liar."

No wonder Gwen Ffrangcon Davies' indignation at the weakness of her husband seemed more like an ordinary domestic scene where the husband hesitates to throw the lodger out for non-payment of his board. As for Macbeth he is one of Shakespeare's duller dogs. But then villainy was in its adolescence in the 16th century. We have improved upon it since then.

* * *

No School Tie

Douglas Reed has done it again. He is a strange man, this ex-Foreign Correspondent of the "Times," author of "Insanity Fair" and "Disgrace Abounding" and well known to Canadians as a contributor to Maclean's. Now he has written another book called "All our Tomorrows." It made me very angry when I read it. I hope it will make you very angry.

DOUGLAS REED

Mr. Reed never went to Public School, a fact which interests no one but himself. It seems, however, to gnaw at his vitals and he will never rest until one day he stands on the ruins of Eton and cries: "I have had my revenge. My pen helped to bring you down." The mere thought of the House of Lords infuriates him, despite the fact that in a debate there you can hear Simon, Runciman, Keynes, Hankey, Moore-Brabazon, Samuel, Snell, Astor, Maugham, and many other men rich in experience and skilled in argument. To Reed's old-fashioned mind a Lord is someone who lives in a vast country house, never reads a book and believes that the 20th century will be followed by the the 18th.

As for the House of Commons his system of ridicule is cast-iron. It can't fail. He will describe in moving terms his own thoughts of the martyrdom of Czecho-Slovakia as he walked to Westminster. The horror of Europe's martyrdom dominates his soul (a process which he communicates to the reader) when suddenly he hears an M.P. say:

> "Arising out of my honorable friend's reply does he really believe that the closing of seaside piers will help materially to win the war?"

Nero fiddling while Rome burns. Reed leaves the House and walks into the streets. "See you at the dogs tonight," says a workman to his mate. Here is a nation in its last throes. Reed does not ask the men what their work is. He is so aghast at their going dog racing on their night off instead of staying at home and writing a book, at a big profit, damning the British and Britain.

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- USE OFF-PEAK hours for Long Distance calls: before 9.30 a.m., 1-2 p.m., 5-7 p.m., after 9 p.m.

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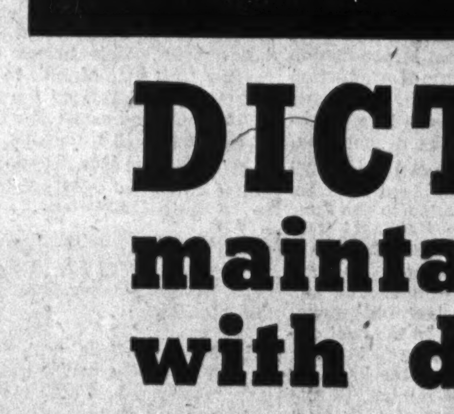

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